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NEAR EAST/NORTH AFRICA REPORT

No. 2097

CONTENTS	PAGE
INTER-ARAB AFFAIRS	
PLO Spokesman Calls for Proof of Western Amity (Ibrahim Sus; LE MONDE, 8 Mar 80)	1
ISLAMIC AFFAIRS	
Internal, External Relations of Islamic World Analyzed (Fouad Ajami; LE FIGARO, 15 Feb 80)	4
Role for Information Media in Religious Education Advocated (Ibrahim 'Ali; AL-RIYADH, 19 Jan 80)	10
AFGHANISTAN	
Karmal Interview With CP Organ: United States, PRC Had Partition Aim (Babrak Karmal Interview; FRIHETEN, 26 Feb 80)	12
ALGERIA	
FLN Relations With Spanish Workers' Party Reported (REVOLUTION AFRICAINE, 22-28 Feb 80)	19
UGTA Secretary General Interviewed on Workers (Demene Debbih Abdallah Interview; REVOLUTION AFRICAINE, 22-28 Feb 80)	23
BAHRAIN	
Fronts Demand Release of Political Detainees, Prisoners (AL-HURRIYAH, 10 Mar 80)	26

CONTENT	TS (Continued)	Page
	Budget for Fiscal Year 1980-1981 (AL-JARIDAH AL-RASMIYAH, 27 Dec 79)	28
EGYPT		
	Expert Urges Measures To Safeguard Otl Security (Mahmud Amin; AL-AHRAM AL-IQTISADI, 15 Feb 80)	32
IRAN		
	Majles Election Activities Get Underway (Various sources, various dates)	37
	Changes Worry Election Committee Sanjabi: National Front Attitude Positions of Various Groups	
	Revolution of Imams Discussed (Yann Richard; LE MONDE DIPLOMATIQUE, Feb 80)	45
I RAQ		
	Oil Minister Explains Oil Production, Pricing Policy (Tayih 'Abd-al-Karim Interview; AL-DUSTUR, 4-10 Feb 80)	56
	Record Growth Figures of New Budget Usher in New Age (Taha Yasin Ramadan Interview; AL-DUSTUR, 28 Jan-3 Feb 80)	67
ISRAEL		
	Comments on Israeli-Egyptian Peace Agreement (Editorial; HATZOFEH, 28 Jan 80)	73
	Call for Sadat To Accelerate Peace Process (Editorial; HAMODI'A, 29 Jan 80)	74
	Egyptian Model for Autonomy Talks Assessed (Editorial; HATZOFEH, 30 Jan 80)	76
	Rejection of Egyptian Autonomy Plan Urged (Editorial; HAMODI'A, 30 Jan 80)	78

CONTENTS (Continued)	Page
Mounting Pressure for Sharon's Resignation (Dan Margalit; HA'ARETZ, 3 Feb 80)	80
Elon Moreh Moves to Kiryat Shhem (Editorial; HATZOFEH, 30 Jan 80	83
Jewish Feelings About Hebron Reviewed (HA'ARETZ, 8 Feb 80)	84
American Reaction to Hebron Policy (Editorial; HAMODI'A, 14 Feb 80)	88
Israeli Peace Activists Abroad Condemned (Editorial; HATZOFEH, 28 Jan 80)	90
Government Backed on Limiting National Budget (Editorial; HAMODI'A, 28 Jan 80)	92
Increasing Budget Would Fuel Inflation Government Announces Good News	
Subsidy Checks Seen as Ineffective (HA'ARETZ, 12 Feb 80)	95
Fight Against Domestic Crime (Editorial; HAMODI'A, 29 Jan 80)	99
Ordination of Reformed Rabbis Criticized (Editorial; HATZOFEH, 21 Feb 80)	101
Ireland Recognizes the PLO (Editorial; HATZOFEH, 21 Feb 80)	103
Former IDF Chiefs Take Positions in Government, Industry (HA'ARETZ, 28 Jan 80)	105
Agents' Commissions, Fees on Arms Purchases Discussed (Zeev Yafet; HA'ARETZ, 28 Jan 80)	107
LEBANON	
New Eastern Orthodox Archbishop of Beirut Chosen (AL-HAWADITH, 15 Feb 80)	111

CONTENTS (Continued)	Page
MAURITANIA	
Guelb Project's Initial Industrial Production Set for 1983 (Coursin, Nicolas Interview; CHAAB, 28, 29 Jan 80)	113
PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN	
Rejectionist Front Affirms Its Principles (Salim Muhammad Interview; AL-DUSTUR, 4-10 Feb 80)	122
Leadership Role of Socialist Party Emphasized (AL-HURRIYAH, 4 Feb 80)	124
Briefs Demonstrations Reported	127
SAUDI ARABIA	
Cooperation Talks With FRG Begin (AL-IQTISAD, Feb 80)	128
Planned Saudi-French Scientific, Technological Cooperation Discussed (Mustafa al-Yahyawi; AL-RIYADH, 21 Jan 80)	130
Investment Banking Corporation Reports Profit (AL-IQTISAD, Jan 80)	134
Riyadh Municipality Urged To Solve Problem of Squatter Villages (Fawwaz al-'Ajami; AL-RIYADH, 15 Jan 80)	135
Big Contracts To Be Paid in Dollars (AL-IQTISAD, Jan 80)	141
Eastern Province Road Projects Described (AL-IQTISAD, Feb 80)	143
Fund Plays Major Role in Financing Factories, Electricity Projects (Muhammad al-Qutani; AL-RIYADH, 17 Jan 80)	144
Programs To Stop Desert Encroachment Outlined (Sulayman al-'Usaymi, Hamad al-'Askar; AL-RIYADH, 19 Jan 80)	148

Briefs Natural Gas Pricing	150 150 151
	150
MACULAL MAIN FLACAME	150
Crop Production Plans	
Oceanic Observation Headquarters	
Islamic Satellite Study	151
Restrictions on Project Awarding	151
Cooperation Protocol With FRG	152
SAFCO Output in 1979	152
Agricultural Loans for Eastern Province	152
Assir Mountain Roads Project	153
Accord With Shipping Lines	153
Petroleum Products With FRG	153
Profits of Saudi Bank	154
SUDAN	
Party Congress Issues Administrative, Economic,	
Political Recommendations	
(AL-QUWWAT AL-MUSALLAHAH, 7 Feb 80)	. 155
SULTUNATE OF OMAN	
Omani Opposition Leader Scores Regime, U.S.	
('Abd al-'Aziz al-Qadi Interview; AL-DUSTUR,	
11-17 Feb 80)	. 163
SYRIA	
Strengths, Weaknesses of Army Analyzed (Tawfiq Nakhlah Ibrahim; AL-NAHAR AL-'ARABI WA AL-DUWALI, 28 Jan-3 Feb 80)	. 168
WESTERN SAHARA	
Briefs Moroccan Statement on POLISARIO	172
YEMEN ARAB REPUBLIC	
American-Soviet Confrontation Building in Middle East (Farid al-Khatib; AL-HAWADITH, 15 Feb 80)	173

PLO SPOKESMAN CALLS FOR PROOF OF WESTERN AMITY

LD131049 Paris LE MONDE in French 8 Mar 80 p 2 LD

[Article by Ibrahim Sus, director of PLO liaison and information office in Paris: "Friendship Has to Be Proved"]

[Text] Following the Iranian Revolution's victory, some of us hoped that Western opinion in general and that of the United States in particular would draw the relevant conclusions from the shah's downfall as a result of formidable pressure from the national unity movement. Given, at least, certain criteria for assessment enabling it to better understand the Near East situation.

For instance, we thought that the West might make the necessary effort to see the Arab world as something other than a few power centers connected with Washington, Moscow or London by political or economic agreements. And also to perceive, beyond power balances, peoples on the march, hopes, anger and plans which do not necessarily correspond to the schemes of those who now hold power but which could unceremoniously jostle them out of the way tomorrow, as they did in Iran.

In short, we dreamed for one brief moment of a Europe and an America which, with eyes suddenly opened and minds salutarily jolted, would at last get an inkling of the real historical forces operating in a region where history means so much. And we dreamed that they would realize the prime importance for Arabs of regaining their dignity, self-respect and the respect of others by asserting their rights to life, independence and unity.

First and foremost, all this implies putting an end to Palestinian martyrdom, since, irrespective of what certain people still say or think, Arab destiny is indissolubly connected with our country's resurrection. It is the blood of all Arabs which continually and steadily flows from the Palestinian wound.

It seems, however, that even after the events in Iran neither Europe nor America has realized this. At least there has been no sign of such a

realization in any writings, commentaries or public statements in recent months. We have merely read or heard a lot of rubbish about differences between Sunnism and Shi'ism and about the mainsprings of "Iranian fanaticism," which might explain Imam Khomeyni's victory but would make it impossible to establish points of similarity between this event and the events which, after all, are completely altering the situation in Afghanistan and Pakistan....

Now, it appears that the West has tried to reassure itself rather than understand what is happening. And it has succeeded in this so well that it has in the end lost sight even of the most fundamental reasons for the Iranian uprising and also of the fact that similar reasons, albeit in different forms, exist in a number of other Arab and Muslim countries and that, since similar causes lead to similar effects, new uprisings lie in store.

Having chosen to ignore fundamental truths, the West has continued to be blind to the fact that, despite contradictions which tear it apart, the Islamic world as a whole--from the Atlantic to the China Sea--is responsive to a few great causes which concern all its parts. And the Palestinian cause is the most important of these causes.

All Arabs blame the West in general and Western great powers in particular for the exile and dispersal of the Palestinian people. And, in fact, these great powers bear a historical responsibility for this. As a result, in the eyes of Arab opinion, all Western acts will remain suspect until the crime perpetrated against the Palestinian people is undone.

Overlooking this is bound to lead to most extraordinary aberrations. Did we not see Washington rub its hands after the Kabul events and hear it assert that the Muslim world would now side with it because it condemned Soviet intervention in Afghanistan? Certain people have already adopted a sententious tone, reminding countries in the Arab Gulf region that their interests are indissolubly connected with those of America and that they have to show they are worthy of such an association. Irrespective of the attitude which Muslim countries have adopted toward Moscow, none of them will believe that Washington has become its friend just because the Soviet Army has entered Kabul.

Friendship has to be proved. And in the eyes of the Arab peoples it must first be proved by actions aimed at restoring to the Palestinian people their fundamental national rights. It is only insofar as the great ones of this world contribute toward this fundamental acts of justice that Arab peoples will be able to acknowledge them as their true friends.

President Giscard d'Estaing's initiative fits into this pattern. The solemn recognition of the Palestinian people's right to self-determination is another step along a path leading to the creation of an independent sovereign state where, after 100 years of suffering and sacrifices, all Palestinians will at last find a flag, a passport and a roof; in short, recover their dignity as men and women.

Obviously, there is still a long way to go before this aim is achieved. And the views recently expressed by the Western press as a whole have done very little to prepare the public for this. However, the step which has just been taken may be of even greater value because of this. It strongly contrasts with the ambient trend and will undoubtedly make some people open their eyes to facts. That is all to the good.

CSO: 4800

INTERNAL, EXTERNAL RELATIONS OF ISLAMIC WORLD ANALYZED

Paris LE FIGARO in French 15 Feb 80 p 22

[Article by Found Ajami]

[Text] Even though the action of the Soviet Unit has all the appearances of skillfulness, and presents a very embarrassing contrast with the vacillation and bickering of the democratic regimes, it conceals more disappointments and disillusionments that those who project the image of Soviet might would like to have one believe. The argument about whether it was ambition or whether it was fear lest Islamic fundamentalism, a religious extremism which is contagious by nature, should spread toward the Soviet peoples that led the Soviet Union to lay hands on Afghanistan, or whether the Red Army had to intervene to compel the submission of a client which was in the process of escaping from the Kremlin's grasp, is far from over. There is probably a measure of truth in each of these hypotheses, and it is likely that ambition and fear produced convergent effects, as they always do.

In any case, what has been done has been done. What remains to be done is to preserve the well-k...wn balance of terror during a period in which the conduct of the Soviets revives the fear of Communism and exacerbates the frightful feeling of impotence that the Americans are experiencing. Afghanistan has never been of real importance in the world view of the U.S.; it has assumed importance now because it is henceforth a living proof that there are some old hobgoblins that the American new right has been trying to get rid of, the same ones that Jimmy Carter tried to exorcise when, as soon as he took office, he undertook to dispel the enormous dread which Americans have of Communism, a fear which has fully revived the duel between the two superpowers.

The Horrible Fate of Individuals

Beyond the cloud of dust that envelops the Afghan territory, the central crater of the explosion is still active: Iran, its symbols, the message that it brings to the world, and all that that implies for the neighboring Arab countries, for the preservation of order, stability, and legitimacy. It is now evident that the regional balance which has been in effect since October 1973, after the Arab-Israeli war, has suffered a terrible shock.

According to the Islamic conception of the universe, a horrible fate is in store for individuals vivo dare to form grand schemes and theories, because theories and schemes are the business of the Creator. The course of events has confirmed this thesis to some degree, for the October 1973 war had ended in an impasse from which there had to arise a structure of authority supported by the United States and resting on Cairo, Tehran, Jerusalem, and Riyad, and, less openly, on Damascus.

This grandiose balance seemed to make it possible, all at the same time, to contain the regional passions, to smother the influence of the Soviet Union, and to confine Europe to a secondary role. Israel and Iran, which was then under the shah, were allies of the U.S. The only important change was the establishment of an inter-Arab order based partly on Saudi Arabia. The emergence of new personalities, the rulers in Riyad, introduced a new era, and it seemed that insane passions must give way to the cold logic of interests. Nasirism and the surges of radical nationalism were at an end, and the time of meetings of experts, commissions, and discussions began. In the eyes of the technocrats and the centers of decision, once the excesses of ideology were calmed and the fire of the passions extinguished, the new order could prosper and the nations would be able to reach the industrial level while avoiding socio-political disturbances.

Those Arabs who favored maintaining a constant diplomatic relationship with Washington were gambling on the influence of the only great power close to Israel. In particular, the position of Saudi Arabia was that there could be no reorientation of the U.S. strategy without a moderation of the Arab policy. This was also the thinking of President al-Sadat, who enjoyed the confidence of Henry Kissinger and then of Jimmy Carter. In April 1977, he succeeded in convincing President Carter that it was necessary to favor the creation of an independent Palestinian state. His dramatic gesture of making the journey to Jerusalem gave evidence of how impatiently Egypt was waiting to advance its pawns. Until that time, Israel had resisted U.S. pressure to the point of exhausting the Carter administration's hope for a global accord on the Middle East.

The purpose of al-Sadat's initiative was to confront the White House with a fait accomplis the institution of direct diplomatic relations between the two most powerful military poles in the Middle East. This inchoate link between Cairo and Jerusalem was not to the taste of the U.S. authorities, but, once it was under way, the process had to be supported and Washington found itself constrained to provide an American safety net for the trapeze act that Anwar al-Sadat had started. However, Egypt was carried much farther down the road of isolationism than its rulers had expected. The Syrians, anxious to establish their position, put themselves into a state of combat. First, they undertook the pacification of Lebanon, and then, rending the veil of morality which enveloped all those who justified the radical claims of al-Asad in advance, the Syrian army brought the Palestinian people to heel.

A Dangerous Step

In the eyes of Saudi Arabia, al-Sadat's step seemed too dangerous because it was too highly publicized.

The turn of diplomatic events did not correspond exactly to what the Riyad government had in mind since it undertook to deradicalize the attitude of the Arabs after the Yom Kippur war.

In the light of the Egyptian and Syrian reactions, the Saudis realized how distressing some allies can be. Then the Iranian crisis occurred. The course which Islamic fundamentalism took showed that one is always in danger of finding oneself on the scaffold that one had supposed was meant for somebody else. Prey to the exuberance that followed October 1973, Saudi Arabia had a heap of choices before it. In 1976, convinced that it had responsibilities toward the Western nations, it threw all its weight against the expansion of Eurocommunism in Italy and France.

Several years later, the Arab order, which had received the superence of the Saudis, was about to collapse. In November 1979, the conflict broke out in Saudi Arabia itself. Although the attack on the Grand Mosque in Mecca did not equal the Iranian phenomenon either in style or in magnitude, it was nevertheless a harsh warning.

After the 1973 war, the Arab elite plunged into the study of technological problems, the research of models of economic development, the engagement in foreign alliances, and the development of cultural exchanges. This wal all to the advantage of the Americans, for Europe and the USSR were all but eliminated, Europe having no power at its command in the Middle East and the USSR being culturally remote and foreign.

Americanization and anti-Americanism are the two faces of a single coin. Political anti-Americanism, which has spread into Iran and many of the Arab states, is really nothing more than an expression of the rage which these nations are experiencing toward themselves, a tableau of anguish which results from cultural surrender.

The secularized elite, especially the cosmopolitan intellectuals of the middle class, have dismantled little by little the defense mechanisms of Arab culture.

Return to Identity

Islamic fundamentalism, return to identity, reaffirmation of self -whatever the words may be, they represent so many defensive reflexes,
and are signs of a formidable psychological effort to mend the split
which has come between the elite, who are modeled by Western culture,
and the masses, who are shaped by the popular culture.

However incoherent and particularistic the Khomeyni message may be, it scintillates with simplism, obviousness, and choler, and appeals to the opinion of the Arab world beyond the profound divisions between Sunnite Moslems, who constitute the majority in the entirety of the Arab world, and Shi'ite Moslems, who constitute the majority in Iran. The operation which Khomeyni and his henchmen have conducted illustrates the fragility of the Arab order, a fragility due to the absence of credible authority which would give the people reasons to believe in the quality of their leaders and in the genuineness of their commitments.

It is a political system which is incapable of maintaining its distances with regard to the outside world, of getting a large collective project under way, and of making progress in the Palestinian affair. That is what explains why this system is susceptible to the thrust which the messianic slogans and the wrath of the traditionalists carry. This opinion looks on dialog with foreign countries as a simple exchange of accolades, leading at last to a cultural capitulation.

To women and men who are witness to the uprising, the element of interest continues to be this spectacle of Iranians occupying the streets, writing and rewriting their history, and assembling first in one place and then in another so that they can be counted and heard.

All or nearly all of the Arab elite have emphasized that the troubles of Iran arise from the peculiarities of the Iranian situition so that they may point out the differences between their own condition and that of the Iranians. These are two kinds of analyses which are in a sense obsolete, because the authorities are not unaware of the danger that the revolutionary wave may break almost anywhere. The revolution developing next door might well be the crystal ball in which their own future is mirrored. The half-measures of democratization which had been envisaged in Kuwait, Saudi Arabia, and Iraq were postponed in consequence of the revolt in Iran, because the Arab politicians have wanted to protect themselves. These are countermeasures for the sake of appearances; for what is at stake because of the upheavals in Iran is nothing less than the patterns of behavior, patterns of thinking, and institutions.

President al-Sadat is virtually the only one who dares defy the challenge. Upheld by a tradition which has descended from the times of the pharaohs and which gives a prince perfect liberty of maneuvering, aided by that totally peasant patience which characterizes the Egyptian culture, and exploiting the resentment of national opinion in the face of the unequal distribution of burdens and rewards which Egypt endures in the name of Arab solidarity, Anwar al-Sadat, even if there is no solution in sight, is persuaded that his rivals are held in check. The Arabs cannot do anything without Egypt, and, without the recognition of the Arab world, Egypt is nothing more than a weakened and impoverished state.

This theatrical dimension of the internal politics of the Arab world conveys a profound impression of bankruptcy. At best, the anti-Sadat

forces should bet on time and wait till the break between the Egyptians and the neighboring Arab nations assumes a tragic character. As the Egyptian-Israeli dialog continues, it takes on a breadth that nobody had foreseen at first. Right up to the present time, he has shown the capacity for that to the great discomfiture of his rivals, who have been declaring for years that Egypt -- a country which they know but poorly -- is going to dump al-Sadat.

Throughout the course of the Iranian revolution, the malaise which has been brooding in the Moslem universe has been expressed in an explosive form. The antics of the revolt -- the revolutionary proclamations, the anti-imperialist slogans, the torture inflicted on the American hostages -- do not cettle the key problems of the Iranian state.

The Law Over the Entire World

Will Iran find a way to preserve its unity, and to overcome the conflict among the minorities? By what means shall it erect a bridge to connect the Iranian establishment which upholds the authority of religion and the theocratic regime with those milieux which are open to secular ideas?

Ever since the masters of the Iranian revolution burst into the political scene, they have declared that the revolutionary movement will not be victorious till the day when Islam extends its law over the whole Moslem world. They have finally understood that it is possible to export revolutionary joy while working to strengthen socialism in a single country. In the same way, the Islamic revolution ought first to expand in the place where it was born. The test that history imposes on it is the coldly realistic test of efficacity and performance. The interpretation of international phenomena abounds everywhere with the words of the sacred texts and the ancestors. Little by little, the reference to Islam will go on compromising itself. The religious personalities who are guided by opportunism and the separatists who are favorable to dissidence will each seek to justify his choices and his actions in the name of Islam. Already, rival ayatollahs are almost opposing warlords. If the Iranian nationalism which is embodied in such constructive personalities as Mahdi Bazargan or Bani Sadr cannot impose itself, if Iran continues to drive toward ethnic conflicts while sinking in the inconsistencies of the partisans of theocracy, the nation will have every chance of foundering in dictatorship, the oldest of the political solutions in the Middle East. Otherwise, it will disintegrate.

The luster and the miraculousness of the revolution will not last forever.

At the height of the cold war, the story was told in jest that the Soviet Union and the United States were two scorpions shut up in a bottle, clinging together and paralyzing each other; that image is equally applicable to the relationship between the Western world and the Moslem world.

The least we can do is try to recognize the truth about our neighbors and to dispel the illusion, dear to the Americans, that foreign civilizations will permit themselves to be modeled at our convenience, that we have a pat solution to the serious problems of politics and culture, and that the elements of socio-political life are reducible to some grand geopolitical scheme.

CSO: 4802

ROLE FOR INFORMATION MEDIA IN RELIGIOUS EDUCATION ADVOCATED

Riyadh AL-RIYADH in Arabic 19 Jan 80 p 6

[Article by Ibrahim 'Ali: "How to Use the Information Media to Effect Social Change According to Islamic Precepts"]

[Text] We believe it is time that Islamic countries and organizations take measures to teach the necessity of striking a balance between man's material and spiritual needs. In effect, we are calling for a change in the lifestyle and thinking of all Moslems to a mode that is more consistent with Islamic values. We believe that the information media as a "second force" is capable of assuming such a role. So far, the media's ability to influence has not been fully utilized for this purpose. As a tool for persuasion the media are most effective; they have helped to topple governments and create disorder.

The press has always created problems for rulers of semi-literate countries as evidenced by the fact that they have traditionally sought to control it. In more literate societies the press is a customary tool for arousing concern and effecting necessary social change. Indeed this is precisely what the press and radio ought to do, namely arouse concern and move society toward a particular goal. Similarly the teaching of God's laws in Islamic societies must be sufficiently effective to move people to learn and practice the Islamic precepts promulgated in the Koran. But to use the media for this purpose without sound planning and effective followup might be fruitless. To be of any value, informational campaigns must be continuous and must be accompanied by a sufficient number of publications and practical directions. It is not enough to tell people to pray five times a day without telling them how to go about it.

Changes in lifestyle brought about by the media are usually followed by the setting of new goals. We must convince people that a life in conformity with God's laws is a better substitute for one based on the materialism of the West. More specifically, we must convince those seeking answers that a life of material bliss is no guarantee of a happy life after death.

We have tried and continue to try to convince Moslems to live in hope of eternal life with God. But crimes and sins continue to be committed in the

Moslem world. We recognize that deep-rooted, historical social mores are difficult to change, and that whenever new modes or lifestyles are introduced changes in our goals, attitudes and visible behavior must occur. Most often the effort required to change our attitudes is immense. Islam has been around for thousands of years, but we have not yet changed over completely to a way of life based on God's law. When Western capitalism appeared many of us rushed blindly after it because it promised to satisfy our momentary material needs. We forgot that capitalism was not a temporary phenomenon. It is therefore essential that our governments and Moslem organizations begin formulating long range strategies to counteract this invasion. We have our informational media, and they are able to help us combat this corrupt way of life and put an end to these gross material values.

The most important strategy is education. Educating all Moslems should be the first long range strategy for changing our social values. Only in such a manner can we easily overcome the material values of the West. Education in religion must begin at infancy and proceed until the Moslem child has learned what he needs for this life and the next one. Good and effective communication is a necessary tool by which the teacher or the religious leader can convince his students of the efficacy of Islamic precepts. We must use all means of communication including educational television, audio and visual aids, publications as well as pulpits.

Our strategy and planning must encompass every age category and every class in society. Our motto must be to let the people know. Schools, private organizations, and government offices must be staffed with people who are knowledgeable in the Islamic religion and its applications. All of society must be reached by the informational media acting as a second force, to push and encourage a way of life based on the Islamic religion. Also, as a preventive measure, we must confiscate all publications advocating Western values.

Ignorance breeds fear. We must therefore know how many Moslems know their religion. We need studies, interviews, research. Responses [presumably to the interviews] must be confidential. These studies will help us to assess how much and how well people know their religion. Ignorance of their religion is one reason many Moslems veer from a moral life. This in turn always leads to fear of failure and to a life based on modern, materialistic values. Responses gathered from interviews will suggest solutions as to better ways to acquaint people with the teachings of Islam.

9063

CSO: 4802

KARMAL INTERVIEW WITH CP ORGAN: UNITED STATES, PRC HAD PARTITION AIM

Oslo FRIHETEN in Norwegian 26 Feb 80 pp 10, 11

[Interview with Babrak Karmal, Afghan Prime Minister, by Kare Andre Nilsen in Afghanistan; date not given]

Text: The interview granted FRIHETEN in Kabul by Babrak Karmal at the end of last week became one hour longer than originally expected. The leader of the Afghan Revolutionary Council and the country's prime minister, incidentally, turned out to be surprisingly well informed about Norwegian conditions. He proved to have historical knowledge of the Norwegian resistance movement against the German Fascists as well as of the position taken by the Scandinavian communists on the latest events in his native country.

Karmal, by no means, is a new politician on the Afghan arena. During the last 20-30 years, he has been an active politician. Already in the early sixties, he sat in the national assembly of the country, elected by a minority in the capital of Kabul. At the time, he gained a reputation for himself as one of the great popular speakers, both within as well as nutside the parliament. Next to a mosque in the center of town, there is, in fact, a small hilltop which, among the people, is called the Karmal Hill. This is due to the fact that, during the ruthless reign of King Zahir Schah, Babrak Karmal was one of the very few opposition politicians who came forward courageously to speak to the masses in open-air popular meetings. The meetings were held on the Karmal Hill, and the attendance was large.

Babrak Karmal today is around 50 years old. He was deputy prime minister during the first government after the April revolution in 1978, but Amin and his gang managed to get him out of the country as ambassador to Czechoslovakia. After a couple of months, he was removed from the post and had to live as a politician in exile until 2-3 months prior to the latest upheaval on 27 December 1979 he returned to the country to participate in the organization of the last offensive against the dictator and CIA agent, Hafisullah Amin.

The overthrow of Amin was thus not the result of any Soviet intervention. It was the result of a long struggle to unmask Amin who, larding his speeches with radical phrases, passed himself off as a communist. To many party comrades, this long struggle meant approximately a whole year of resistance work. FRIHETEN will bring more material on this struggle and other aspects of the situation in Afghanistan in the coming issues.

[Question] Babrak Karmal, the Afghan government said in a statement on 11 February after talks with a special emissary from the government of India that the Soviet military contingent in Afghanistan would be withdrawn if a reliable guarantee would be given against continued aggression from abroad. Do you, as president of the Revolutionary Council and as premier, want such a guarantee from the United States, China and Pakistan or just from Pakistan, which, as is well-known, makes its territory available to others—as the base for aggression against your country?

Guarantee of Borders Most Important Thing

[Answer] By way of introduction, I want to stress certain facts, certain truths about Afghanistan. I want to stress that the most important thing to the peace-loving Afghan people is that they themselves be the main guarantee of this country's peace and liberty. This has been the case throughout the entire brilliant history of Afghanistan. The Afghan people has always been clearly opposed to foreign intervention in their country. U.S. imperialism and the international reaction, in cooperation with Chinese chauvinism, have now been trying to make the so-called Afghan question their own cause. The guarantee of our borders is one aspect of the question, the most important one. The background is this aggression on the part of imperialist powers, on the part of Pakistan. But all this, in turn, has a background of its own

It Started With the Crisis of Capitalism

[Answer] I would gay that it all started when the big crists in the way of life of the capitalist countries occurred. It continued with the Vienna accord on SALT II, which the United States did not respect, and the ratification of which, moreover, was postponed. The same thing applies to the NATO decision in Brussels on a new generation of nuclear missiles, Pershing II and cruise missiles in Europe. The big conspiracy from Camp David, the objective of which is to sacrifice the rights of the Arab and Palestinian peoples, furthermore, belongs to the picture. In addition. there is the U.S. special force which was formed with a view to light intervention in any area causing trouble to the United States, simultaneously with warships for the Persian Gulf. Finally, there is the revolution in Iran. With a view to creating tension and worsening the international situation, they started focusing their attention on Afghanistan to break the tension. Chinese chauvinism, U.S. imperialism, concurrently with the regional reaction, started using Pakistani soil as a spring-board for aggression against Afghanistan, to topple the April revolution and prevent its goal.

Afghanistan a Mere Pretense

[Answer] However, it is not just a question of the security of Afghanistan. It is a question of peace within this region. The imperialist forces want to destroy the relaxation in order to further the ambitions of monopoly capital. Afghanistan is being used just as an excuse, says Babrak Karmal, who adds:

If one gathers together all the pieces and puts them in place, one will see that a large-scale international conspiracy is taking place today behind the backs of the peoples, against their interests. The United States, China and the regional reaction have intensified their interference in the affairs of Afghanistan. This is the background to the limited Soviet contingent which has come here to defend our country against outside aggression from the reactionary forces which are using Pakistan as a spring-board against our territorial integrity and our national independence. They came in accordance with the agreement between our two countries of 7 December 1978 and in complete conformity with Article 51 of the UN Charter. This is the legal basis. The limited contingent of Soviet troops will leave Afghanistan the moment these forces put an end to their interference and stop intervening in the internal affairs of Afghanistan.

Guarantee Against Military and Propagandistic Intervention

[Question] But what does a reliable guarantee involve, will it also have to include a guarantee from other countries which are sympathetically disposed toward you?

Answer! No other reliable guarantee is possible than a guarantee of absolute and complete cessation on the part of all the forces which intervene militarily and carry on an aggressive political propaganda toward us. No reliable guarantee is possible without an end being put to the camps and bases where Chinese, American, Egyptian, Pakistani, British and Israeli instructors train saboteurs and terrorists, bandits and murderers. No reliable guarantee is possible without cessation of the supply of arms, dollars and financial resources from these foreign interventionists. No reliable guarantee is possible unless Pakistan and U.S. imperialism undertake to keep their hands off Afghanistan. Without all these things, there can be no reliable guarantee to us. The question of guarantee will not be raised at the moment, unless these things take place.

Main Guarantee Must Come from Pakisten

[Question] Pakistan is the principal base for the operations against Afghanistan. Does that mean that the main guarantee must come from Pakistan? Would you say that you agree on this?

[Answer] Yes. Pakistan must stop playing into the hands of these enemies of our national independence, our national sovereignty and our territorial integrity.

We, says Babrak Karmal, want to accept every honest initiative, the purpose of which is to guarantee peace and security and the complete cessation of all provocative aggression against our country. But the Afghan people will forcefully repel the slightest attempt, in any form, at interference in the internal affairs of Afghanistan.

Mercenaries as in Algeria and Indo-China

[Question] What is the political-military situation at the borders of Afghanistan actually like today? Is it a really difficult situation?

[Answer] To sum up the situation, I want, first of all, to stress that the forces which fight against our country's security, independence and peace in the border areas are being trained and equipped in 30 bases and camps. Also mercenaries are being smuggled across the border with Chinese and U.S. weapons. Every day, we see military equipment being poured into Pakistani territory from Pakistani ports and from the Karakron super highway. All of it is sent on to groups of bandits which use the equipment to destroy roads and super highways. They rob cars and innocent people, they blow up hospitals, they kill little boys and girls in the vilest and most barbaric way ever used by revolutionary forces in the revolutionary history of the world. But the people of Aghanistan and the army, the members of the People's Democratic Party in Afghanistan (PDPA) raise their heads and defend human dignity.

[Question] You mentioned mercenaries, from what country?

[Answer] From Pakistan. People leave Afghanistan to go abroad, where they are trained as mercenaries in the same way as the mercenaries in Algeria and Indo-China. The Nazis, too, had similar foreign legionaries.

Pakistan Refuses to Let Refugees Return

[Question] Are there also mercenaries from other countries?

[Answer] It has been proved that Chinese officers and soldiers and Pakistani officers disguise themselves as Afghans. Egyptian officers and military instructors from the United States are involved. And there are reactionary forces from our own country which oppose the democratic reforms and the changes in Afghanistan. It has been like that in all revolutions. They join forces with mercenaries to carry through anti-revolutionary activities in Afghanistan. There are also several emigrants, I would rather say refugees, who escaped and fled the country on account of the extremely serious, bloody and despotic policy which was being pursued by the CIA agent, Hafisullah Amin. Attempts are being made on the part of the imperialist propaganda machine to mislead them.

They want to return to the country, but the Pakistani military authorities will not allow them to return. Instead, they are thrown into concentration camps, where they live under very poor and miserable conditions and where attempts are made to blackmail them by Fascist methods.

Soviet Troops Are a Reserve Unit

[Question] President Carter's security policy adviser, Brzezinski, recently made a number of provocative speeches on Pakistani soil in the immediate vicinity of the Afghan border. What are your comments?

Fanswer] From the very beginning of the April revolution we have been experiencing such provocative, aggressive and hostile attacks from the anti-revolutionary and the regional reactionary forces, from the other side of the Afghan-Pakistani border. This has continued, but during the last few months it has increased and has become so intensified that things are on the verge of flaring up in the region. War was not so distant to the people in the area. But after the new phase of the April revolution was initiated, the limited contingent of Soviet troops was called in with a view to warding off and preventing such a worsened situation, forced upon Afghanistan by foreign powers. The Soviet contingent is a reserve unit, a potential reserve force, the task of which is merely to repel that kind of aggression against our country from foreign countries. This is part of the international duty and mission of the Soviet Union. The Soviet Union defends peace, democracy and social progress. The Soviet Union helps the revolutionary forces and countries which are in danger.

The United States Will Be Digging Its Own Grave in Afghanistan

[Question] The leaders of the guerrilla groups talk loudly of their expectations of arms deliveries. Do you expect and do you fear an attack across the border in the spring? What is your view of the possibilities of defending the borders--either alone or together with Soviet soldiers?

Answer] As long as imperialism continues to exist in this world, it will also be present in every country which has embarked on the road of revolutionary national-democratic changes. As long as imperialism exists, U.S. imperialism will be creating a nightmare. U.S. imperialism maintains itself that it has such plans in mind. It claims that it commits things like this. This is a main characteristic of the class struggle on the international arena in today's world, and especially at a time when imperialism, headed by U.S. imperialism, is making no progress. There is a well-known saying that imperialism will be digging its own grave. If such an aggression were to take place in Afghanistan, I am sure that Afghanistan will become a grave-yard to American imperialism and all other aggressors. U.S. imperialism will be digging its own grave if it tries its luck in Afghanistan.

CIA Managed to Take Leadersh o in State and Party

[Question] The April revolution in Afghanistan in 1978 gave rise to great hopes among progressive forces all over the world. How could it be that the revolution lost its direction, a circumstance which, in turn, enabled foreign powers to try to topple the revolution. Was the leadership of the PDPA right in implementing such radical reforms at such a rapid rate, without taking into consideration the objective and subjective conditions which were present in such a backward country as Afghanistan.

[Answer] To answer this question, it is necessary to explain certain things. One thing must be quite clear, namely that after the national independence in 1919 and after the big October revolution in the Soviet Union, our people was longing for democratic reforms and revolutionary changes in our country. After the April revolution, our people both wanted and needed anti-feudal and national reforms. In the early months of the April revolution, such socio-economic reforms, among them land reforms, did, to a certain extent, take place. This was not the reason why such changes did not become possible. It happened as the result of a very vicious conspiracy on the part of the CIA and U.S. imperialism in the state and party leadership. They managed to install one of their most barbaric and successful agents, both in the leadership of the party and in the leadership of the state. Temporarily, they managed to seize the leadership of both party and state. This is the reason why the April revolution lost its direction. They did not take into consideration the subjective and objective conditions of the society.

Revolution Making Progress Anew

[Question] Who?

[Answer] Hafisullah Amin and his gang. But in keeping with the will of the majority among our people and the party, allied with all national and democratic forces, and in cooperation with the armed forces, we managed to restore the party and the government. Once more, we hoisted the real flag of the April revolution. We anew gave the revolution an anti-feudal and anti-imperialist direction. We may say that the revolution, step by step, and in conformity with the subjective and objective conditions prevailing in the society, is now again proceeding victoriously to the second phase of the April revolution. Only 2 months have gone by. We have got started on the process.

Like Pol Pot, Like Pinochet, Like the United States in Vietnam

[Question] Babrak Karmel, would you, by way of conclusion, say something more about the role of the CIA in the work to destroy the conquests of the April revolution?

[Answer] I want to point to two methods which have been used in the thousands of crimes committed by the CIA. These crimes, which they make use of against every revolutionary movement anywhere in the world, are well known. One method consists in using the darkest right-wing oriented forces. They use terrorist and bloody methods, they kill people and spread poisonous war propaganda. These quite simply are terrorist methods. The other method consists in creating disunity within the progressive forces, within the national-democratic and revolutionary movement. In the case of Afghanistan, both methods were used. With the aid of the agent Hafisullah Amin they created some kind of holocaust in Afghanistan, a tragic disaster to our people in which people were murdered by prehistoric methods. They killed the most respected people among our people, engineers, clergymen, professors, physicians, peasants, workers and 2,000 of the party members. They started destroying small towns, they killed innocent children and old people. They used the most barbaric methods which were used by Pol Pot in Kampuchea, Pinochet in Chile and the Americans in Vietnam. They used all the methods that have been used by the CIA and the United States after World War II to make revolutions lose their direction.

United States Planned to Divide Entire Country

[Answer] Making use of both of the two principal methods, U.S. imperialism wanted to destroy that which is the desire of our people and the goal of all revolutionary forces. Their goal under Amin, before we got started on the second phase of the April revolution, was to parcel out all of Afghanistan. Their plan was to get the country split up. The plan was to get the eastern and southern parts of the country under Pakistan's influence and control. Some northern and north-eastern parts of the country would have got under Chinese control, and the western part under the influence and control of another country. In the center and in Kabul--under the leadership of the CIA and U.S. puppet, Hafizullah Amin--a bloody terrorist regime was to be created, with a view to undermining our national independence and territorial integrity. After the loss of Iran in this region, they wanted to make Afghanistan a base for anti-Soviet subversive activities and to destroy the security of the entire region.

Strategic Base Toward West and Toward South-East

They also wanted to set up a base which would serve as the center of subversive activities against all national liberation movements in the region as well as in the Persian Gulf area. They wanted to use Afghanistan as a strategic base for movements in two directions. Both here and in the Middle East. Here: an instrument consisting of Afghanistan and Pakistan which was to destroy all revolutionary movements. In the Middle East: an instrument consisting of Israel and Egypt. They wanted a strategic base toward the west, with a view to toppling the revolution in Iran and the Middle East, as well as toward the south-east. This was the strategy of the CIA. It is part of the Carter doctrine, Babrak Karmal said before asking permission, by way of conclusion, to say the following words to Norwegian communists and other progressive Norwegians:

Regards to Comrades and Friends in Norway

[Answer] Will you kindly give the Norwegian people the warmest regards of our people, of our government and state, of our party, the People's Democratic Party in Afghanistan, the party of the working class in our country, of the central committee of the party and the Revolutionary Council. Give our warmest regards to your people, to all the progressive democratic forces in your country, to the Communist Party of Norway and the leadership of the party. Give my regards to our comrades and friends in Norway.

7262 CSC 3108

FLN RELATIONS WITH SPANISH WORKERS' PARTY REPORTED

Algiers REVOLUTION AFRICAINE in French 22-28 Feb 80 pp 7-8

[Report on joint communique issued in Madrid by the FLN and the PSOE: "To Strengthen a Traditional Friendship"; date of communique not given]

[Text] The FLN delegation, led by Mr Slimane Hoffman, member of the Central Committee and chairman of the Foreign Relations Committee, returned from Spain after a visit of more than a week, during which it held political talks with the Spanish Socialist Workers' Party [PSOE]; it also participated in the activities of the Permanent Secretariat of the progressive parties of the Mediterranean.

During its stay in Madrid, the FLN delegation held a series of political talks with PSOE officials, who gave a warm welcome to the Algerian guests.

Numerous points of agreement emerged from these talks. The two delegations agreed to strengthen their cooperation in numerous fields, notably in the economic and trade union fields. A study of the international situation, which was the object of detailed conversations, made it possible for the two delegations to measure the threats hanging over the Mediterranean and about which they expressed their concerns.

We are publishing below the joint communique which crowned these talks.

"Upon the invitation of the Spanish Socialist Workers' Party, a delegation from the National Liberation Front Party, led by Mr Slimane Hoffman, member of the Central Committee, chairman of the Committee for International Relations, made a visit to Spain from 12 to 14 February 1980."

"The FLN delegation was received successively by Messrs Felipe Gonzalez, secretary general of the PSOE, Alfonso Guerra, deputy secretary general, Jose Federico de Carvajal, member of the Federal Executive Bureau, Enrique Tierno Galvan, mayor of the city of Madrid, Carlos Revilla, president of the Regional Council of Madrid, Nicolas Redondo, secretary general of the General Union of Spanish Workers [UGT] and Manuel Simon, international secretary of the UGT."

Thering its visit, the delegation from the FLN Party held political talks with a FLT delegation, led by Mr Emilio Memendez del Valle. These talks were held in a climate marked by friendship, candor and mutual understanding and were the occasion for both parties to take stock of their bilateral relations and to engage in a detailed examination of the regional and intermational situation."

"The FJOE delegation was informed of the intense activities of the FLN Party since its fourth congress and of the decisions made during the two sessions of the Central Committee, as well as of the economic, social and cultural achievements of the socialist revolution and of its accomplishments directed by the political leaders, headed by President Chadli Bendjedid, president of the Republic and secretary general of the party of the FLN."

"The delegation of the FLN Party, in turn, was informed of the intense activities of the PSOE following its special congress, to achieve the objective of consolidation and strengthening of democracy in Spain."

"With regard to the bilateral relations between the two parties, the two delegations noted with satisfaction the quality of the relations which exist between the FLN and the FSOE and decided to strengthen them in order to better consolidate the traditional friendship between the Algerian and the Spanish peoples. To this effect, the two parties agreed on the need to hold periodic consultations between them on problems of interest to both parties and signed a draft agreement, the completion of which will contribute to the strengthening of the ties which exist between the FLN and the PSOE."

Security in the Mediterranean

"Touching on regional and international questions, the two delegations reaffirmed their attachment to the security in the Mediterranean area, to the national independence and territorial integrity of the countries bordering on the Mediterranean, and consider any foreign interference to be a threat to peace in the Mediterranean basin and in the world."

The two delegations paid particular attention to the problem of the Western Sahara. As it is in essence a problem of decolonization and the consequence of aggression and occupation by force, it must find a solution in conformity with the provisions of the charters and with the relevant resolutions of the United Nations, the OAU and the non-aligned nations. To this effect, the two parties forcefully express their active solidarity and their support without reservation for the heroic struggle of the people of the Western Sahara, under the direction of the POLISARIO Front, their sole and genuine representative, for their right to self-determination and independence. The two delegations reaffirmed their complete support for the decisions of the OAU, of its Committee of Mise Men and for those of the United Nations on the question of the Western Sahara. The two delegations noted with satisfaction the important diplomatic successes achieved by the Saharan Democratic Arab Republic at the international level, notably its recognition by a growing number of countries throughout the world."

Middle Mast

"With regard to the aituation which prevails in the Middle East, and in the light of the latest developments, the two parties express their conviction that peace and security in the region cannot be achieved without the restoration of the national and legitimate rights of the Palestinian people, including their right to the creation of an independent and sovereign state, and without the recovery of all the occupied territories. They reaffirm the need for FLO participation on the basis of equality, the sole and author, ic representative of the Palestinian people, in any search for a solution to the Middle East problem."

"Proceeding with an exchange of views on the situation in Africa, the two delegations expressed their concern with regard to the conflicts created by foreign intervention, which is part of the imperialist strategy. The two delegations reaffirm their complete support for the struggle for total decolonization of those countries still under foreign domination, the implementation of a policy of self-determination by the peoples, the respect of their sovereignty and of their political choice, the respect of the borders inherited from the colonial period, in accordance with the principle of the OAU charter."

"The two parties reaffirm their complete and unreserved support for the liberation movements in Southern Africa, which are currently the object of a maneuver aimed at depriving them of the fruits of their struggle and at keeping the region under neo-colonial rule."

"The two delegations examined the situation in Latin America. They express their solidarity with and support for the struggles for liberation conducted by the peoples of that region against dictatorship and imperialist domination. To this effect, they salute the victory obtained by the people of Nicaragua, under the leadership of the Sandinista Front, which constitutes a symbol of the desire for liberation of the peoples of Central America."

New World Economic Order

"The two parties expressed their deep concern about the acceleration of political tension which strengthens the bipolar process at the international level and which has often manifested itself by intervention and the feeding of conflicts in developing countries in order to oppose the liberation movements of the peoples and to threaten their political independence and their economic development."

"Considering the fact that anarchy, which characterizes the world economic system, is more than ever the cause of conflicts and of a stronger impetus for the arms race, the two parties believe that the priority objectives of the progressive and democratic forces in the world remain the struggle for a real policy of global and general disarmament and for the implementation of a new world economic order, which effectively deals with the correction of the historical unjust disparities in development between Third World

countries and industrialized nations. The two delegations examined the prospects of cooperation between the democratic and popular forces in Europe and the progressive forces in the Third World in terms of the implementation of a new international economic order."

"Within this framework, the joint political efforts of the progressive forces in the Third World and the democratic and popular forces in Western Europe, the indispensable solidarity which the workers of developing countries have a right to expect from all the social forces in general -- and from the working class in Europe, in particular -- must aim at the implementation of a policy of dynamic cooperation, based on respect for the independence of each country, on the equality and equity of exchanges and mutual interests."

"The PSOE delegation has high regard for the progress achieved by the Algerian revolution in the struggle for development."

"The FLN delegation was pleased about the progress made by the PSOE in the area of its wide establishment within Spanish society and of its struggle for the establishment of a socialist society."

"The two delegations expressed their satisfaction with the quality of their talks, which were characterized by friendship, candor and mutual understanding. The FLN delegation expressed its thanks to the PSOE for the welcome it was given during its visit to Spain and invited a PSOE delegation to make a visit to Algeria. This visit was accepted in principle and the date will be set later in common agreement," concludes the communique.

8463 CSO: 4400

UCTA SECRETARY GENERAL INTERVIEWED ON WORKERS

Algiera REVOLUTION AFRICAINE in French 22-28 Feb 80 pp 30-31

[Interview with Mr Demene Debbih Abdallah, secretary general of the UGTA, by Z. Gadouche: "The Responsibility of the Workers"; date and place of interview not given]

[Excerpts] [Question] The UGTA [General Union of Algerian Workers] is 24 years old. Could you, Mister Secretary General, recount for us the evolution of the organization during this period?

[Demene Debbih Abdallah] On this 24th anniversary, the Algerian workers will find another occasion to renew their determination to strengthen the ranks of the UGTA and to turn it into a powerful mass organization which, along with the other mass organizations and under the leadership of the FLN, will constitute a bastion against which all those who would try to undermine our socialist revolution and its gains, will be broken.

[Question] With the establishment and spread of socialist company management, the role of the UGTA takes on a new dimension. Henceforth, the workers are closely associated with the life of their plant. Has this role been assimilated correctly?

[Demone Debbih Abiallah] Among the gains of the workers, there is in the first place the socialist management of companies, as a result of which the Algerian worker is no longer simply a wage-earner, but an official, a manager and an architect of the socialist construction of the country.

Following the third national conference of the GSE [Socialist Management of Businesses], in accordance with the resolutions of the fifth UGTA congress confirmed by the resolutions of the fourth FLN congress, the GSE and its expansion represent one of the primary objectives of the UGTA.

It has been perfectly assimilated by the workers and in the companies where it is being applied. The mobilization of the workers is stronger and the results of production better.

The assimilation of the GSE is further proven by the enthusiasm, the mobilization and the spirit of responsibility exhibited by the workers each time preparations for the introduction of the GSE are made.

Question in several sectors production has not reached the optimal level. This is a crucial problem which has noticeable repercussions on the social situation of the working masses. There too, the responsibility of the UCTA is a decisive one. What do you think about it.

Demene Debbih Abdallah It is true that in some sectors, production did not reach its optimal level. The reasons for this situation are multiple. Part of the responsibility can be attributed to the kind of management or sometimes to certain managers. There are also the labor conditions, which have a definite influence on this shortage. Finally, there are socio-professional problems -- which have not been worked out -- which have an impact on a certain demobilisation of the workers.

It must be noted that among the main axes of the UCTA, there are the mobilization and consciousness raising of the workers to remedy these negative phenomena. It is also necessary to stress all the arrangements made by the political leadership, headed by President Chadli Bendjedid, president of the Republic, secretary general of the FLN, aimed at constantly improving the living and working conditions of the working masses. It is within this framework that instructions have been given to further the dialogue, to examine the socio-professional problems and to find a solution to them. It is with this same goal in mind that interim measures, aimed at raising the lowest wages, were announced by President Chadli during the second session of the Central Committee of the party, and which go into effect as of 1 January 1980 until the implementation of the general statute of the workers. Finally, there are the measures which will be taken shortly within the framework of the reorganization of the enterprises. All the factors I just mentioned are such as to strengthen the mobilization of the workers and to increase awareness of the da egations in order to win the battle of production and of management.

[Question] In the context of strengthening its rank and file militants, the FLN is considering the creation of factory cells. This will certainly strengthen your own structures and increase the awareness and political education of the workers. How do you see the collaboration between the trade union section (or the ATU [Plant Workers Assembly]) and the factory cell?

Demene Debbih Abdallah During the second session of the Central Committee of the FLN, an important problem was discussed. It is the creation of party cells in the factories. This measure takes on a special significance from the fact that the FLN will be present in the fundamental basic production units of the socialist revolution. The cell within the factory will group the most conscious and most committed workers.

Consequently, they will be examples in optimal production, in the safeguarding of the national heritage and in the struggle against social ills, whatever their shape or form. The party cell within the factory will constitute the driving element in production, the improvement of productivity and, consequently, the improvement of working and living conditions, because the principle of our socialist revolution is the abolition of the exploitation of man by man.

The party cell in the factory will be the strengthening body for the trade union organization or the assemblies of workers. It is by means of this cell that the positions of the FLN will be transmitted to the rank and file, to the working masses, one of the main forces of the socialist revolution.

[Question] What do you expect from the general statute of the worker which is to go into effect shortly?

Demene Debbih Abdallah As soon as the decree proclaiming the general statute of the workers was announced, a very deep satisfaction was experienced by the workers. As a matter of fact, the general statute of the worker reflects the measures of the national charter relating to labor and to workers. The working masses expect a great deal from the general statute of the worker, of which the application texts are being steadily prepared. First of all, the general statute of the worker will put a definitive end to wage and job differences among sectors of activity in the country and even within a single sector. The elimination of these differences already constitutes a social justice which all the workers hold dear. In addition, the general statute of the workers specifies all the rights which the workers can lay claim to and thus, an end will be put to the non-application of the legislation currently in force. The general statute of the worker also specifies the obligations of the workers, which will not fail to encourage them to greater and better production.

Finally, the general statute of the worker will constitute the basis for standard statutes, special statutes and collective conventions, which will make possible the correct application of the principles of "equal pay for equal work" and "the right man in the right place." Thus, the general statute of the worker will be the starting point for a new boost in the direction of a strengthening of the trade union organization, of winning the production battle and of consolidating our glorious socialist revolution.

8463 CSO: 4400

FRONTS DEMAND RELEASE OF POLITICAL DETAINEES, PRISONERS

Beirut AL-HURRIYAH in Arabic 10 Mar 80 p 46

[Text] Recently, the Popular Front in Bahrain and the Bahrain National Liberation Front issued a joint appeal to world public opinion concerning political detainees and prisoners and violations of democratic freedoms in Bahrain. The appeal said in part:

"The political detainees in Bahrain are subjected to savage torture which jeopardizes the lives of many of them. The harshest methods of torture, including exhaustive interrogation, are used.

"This is being done in the course of a large-scale attack which the police apparatuses in Bahrain are waging. This attack is being led by British officers. The CID has recently detained 12 citizens in addition to the dozens of earlier detainees.

"The government of Bahrain is violating the constitution which that government itself had drawn up. It dissolved the national council in 1975; it denies the citizens of their merest rights which the constitution has provided for; it deprives citizens of their political rights; it forbids them to organize themselves or express their opinions in any form and considers their doing so a sufficient charge to lead to imprisonment and torture. Citizens Sa'id al-'Uwaynat and Muhammad Bu-Jiri were martyred and many have been permanently disabled.

"We call on the nationalist and progressive political parties, the mass and legal organizations, and the nationalist and progressive personalities in the Arab nation and the world to raise their voices on the side of the Bahraini people, who are enduring an ordeal, to support the detainees in the jails of the government of Bahrain, who are threatened with the danger of annihilation, to demand a stop to the torture, the detentions, and the haling before the courts of justice, and to demand that all of the political detainees and prisoners be freed.

"The following is a list of the political detainees and prisoners:

Name

Occupation

Ahmad Zaynal	Laborer and unionist
Jasim Siyadi	Official and unionist
Shaykh Jasim al-Nuwaydirati	Religious shaykh
Jawad al-'Akari	Official
'Adil al-'Asiri	Student
'Abbas Hilal	Lawyer
'Abdallah 'Ali Khalifah	Clerk
'Abdallah Mutaywi'	Labor unionist
Shaykh 'Ali 'Usfur	Man of religion
Faysal 'Arshi	Student and unionist
Muhsin Marhun	Lawyer and former member of parliament
Muhammad Husayn Nasrallah	Official
Muhammad al-Sayyid Yusuf	Lawyer
Shaykh Muhammad 'Ali al-'Akari	Religious shaykh
'Abd-al-Latif Rashid	Instructor
'Abd-al-Jalil al-'Iradi	Official
Rida al-Jabal	Laborer
Ibrahim Sind	Antiquities official
Ahmad Sirhan	Laborer
Hasan Bu-'Alai	Laborer
Khalifah al-Lahdan	Laborer
'Abd-al-Rahman 'Uthman	Official
'Abdallah Jabir	Official
'Ali al-Mastari	Clerk
Mujid Marhun	Physician
Murad 'Abd-al-Wahhab	Laborer
Mahdi Fatil	Laborer
Muhammad Rida	Soldier
'Abd-al-Karim Salman	Soldier
'Abd-'Ali al-Khayyat	Soldier
'Ali al-Haddad	Soldier
Rashid Mulammad 'Ali	Official
Mirza Rida	Laborer
Ahmad Kamal	Soldier
Dr Ahmad Bu-Jamal	

CSO: 4802

Salman al-Hamid

Hasan al-Muradi

Muhammad Mansur

Laborer Official

Soldier"

BUDGET FOR FISCAL YEAR 1980-1981

Manama AL-JARIDAH AL-RASMIYAH in Arabic 27 Dec 79 pp 3-7

[Decree: "Bill No 26 for 1979 To Determine General State Budget for Fiscal Years 1980 and 1981"]

[Excerpt] Having examined the Constitution, Governmental Decree No 4 for 1975, and Law No 1 for 1975 regarding the fiscal year, budget preparation rules, monitoring implementation of the budget and the final audit; and based on the proposal made by the minister of finance and national economy; and after the approval of the Council of Ministers, we, 'Isa bin Salman Al Khalifa, the Amir of the State of Bahrain have decreed the following law:

Article One:

State revenues in the budget of the two fiscal years 1980 and 1981 are estimated to be 680 million dinars (six hundred and eighty million dinars). The share of fiscal year 1980 is 329 million dinars (three hundred and twenty-nine million dinars), and the share of fiscal year 1981 is 351 million dinars (three hundred and fifty-one million dinars). This is in accordance with the Table of Estimated State Revenues attached to this law.

Article Two:

Expanditures in the budget of the two fiscal years 1980 and 1981 are estimated at 680 million dinars (six hundred and eighty million dinars). The share of fiscal year 1980 is 329 million dinars (three hundred and twenty-nine million dinars), and the share of fiscal year 1981 is 351 million dinars (three hundred and fifty-one million dinars). This is in accordance with the Table of the Distribution of Estimated Expenditures attached to this law.

Article Three:

The existence of an appropriation in the general budget does not constitute an exemption from adherence to the provisions of laws, ordinances and

resolutions that are in effect with regard to the utilization of this appropriation or with regard to implementing the instructions attached to the budget law or the budget tables.

Article Four:

The ministers are to implement this law, each in his own jurisdiction. This law becomes effective on I January 1980, and it is to be published in AL-JARIDAH AL-RASMIYAH [The Official Gazette].

Amir of the State of Bahrain 'Isa ibn Salman Al Khalifa

Issued in al-Rifa' Palace on 4 Safar 1400 Hijrah, coinciding with 23 December 1979 A.D.

[See following pages for Tables 1 and 2]

Table 1
The General State Budget
Estimated State Revenues for Fiscal Years 1980 and 1981

The Data	in thousand 1980	dinars 1981
Section One: Oil sector revenues	228,600	245,050
Item 1. al-Bahrain field revenues	108,000	111,000
Item 2. Abu Sa'fah field revenues	120,000	133,300
Item 3. Gasoline tax	600	750
Section Two: Taxes and government fees	37,500	39,850
Item 1. Taxes and customs and port fees	30,000	32,000
Item 2. Real estate registration fees	1,100	1,150
Item 3. Court fees	750	800
Item 4. Immigration and car registration fees	2,400	2,500
Item 5. Work permit fees	950	1,000
Item 6. Commercial registration fees	1,900	2,000
Item 7. Tankers' fees	400	400
Section Three: Government services revenues	23,850	27,350
Item 1. Health services revenues	1,750	1,950
Item 2. Postal services revenues	1,500	1,700
Item 3. Power services revenues	12,700	14,900
Item 4. Civil aviation services revenues	5,500	6,000
Item 5. Communications and public transportati	.on	
services revenues	1,500	1,750
Item 6. Public works services revenues	130	165
Item 7. Water flow services revenues	600	700
Item 8. Agriculture services revenues	110	120
Item 9. Revenues from digging artesian wells	60	65
Section Four: Miscellaneous revenues	39,050	38,750
Item 1. Revenues from government property	2,500	2,650
Item 2. Sales of government products	40	43
Item 3. Concession revenues	200	200
Item 6. Aid and loans	34,400	33,700
Item 7. Other revenues	150	150
Item 8. Radio and television revenues	1,060	1,170
Item 9. Government press revenues	700	837
Total	329,000	351,000
Overall Total	680,000	

[Items 4 and 5 not published]

Table 2
The General State Budget
Estimated Expenditures for Fiscal Years 1980 and 1981
First: Estimated Recurring Expenditures

m. a	Data	in tho	usand dinars
ine	Data	1980	1981
1.	The Ministry of State for Cabinet Affairs	227	239
2.	The Ministry of State for Legal Affairs	167	179
3.	The Ministry of Finance and National Economy	9,216	9,899
4.	The Ministry of Commerce and Agriculture	2,845	3,020
5.	The Ministry of Development and Industry	6,830	7,015
6.	The Ministry of Public Works, Electricity		
	and Water	15,868	16,963
7.	The Ministry of Housing	2,717	2,956
8.	The Ministry of Transportation & Communications	4,807	5,057
9.	The Ministry of Justice & Islamic Affairs	1,820	1,900
10.	The Ministry of Labor & Social Affairs	2,858	2,920
11.	The Ministry of Information	5,331	5,888
12.	The Ministry of Education	27,650	29,800
13.	The Ministry of Health	21,380	23,800
14.	The Ministry of Foreign Affairs	2,490	2,605
15.	The Ministry of Interior	22,800	27,310
16.	The Ministry of Defense	20,500	23,700
17.	Civil Service Office	1,477	1,466
18.	The Census Office	844	927
19.	The Supreme Council for Youth & Athletics	1,548	1,580
20.	Equestrian & Horse Racing Club	162	170
21.	The Office of the Prime Minister	88	95
22.	The Temporary Central Municipal Authority	6,000	6,000
23.	Sunni Waqf	320	320
24.	Ja'fari Waqf	320	320
25.	Governmental allocations	6,000	6,000
26.	Loan payments	7,000	7,100
27.	Cost of living allowance	4,000	6,000
28.	Unexpected expenditures	3,437	3,718
29.	Al-'Arin Project	536	450
30.	Expenses of the government airplane	489	540
31.	The 1981 Census Project	135	277
32.	The Project for Addressing Homes	191	
33.	Other obligations		3,400
5 - 4	Total	180,053	201,614
	Overall Total	381	,667

8592

CSO: 4802

EXPERT URGES MEASURES TO SAFEGUARD OIL SECURITY

Cairo AL-AHRAM AL-IQTISADI in Arabic 15 Feb 80 pp 20-22

[Article by Dr Mahmud Amin: "So That Egypt May Stay Within the Circle of Oil Security"]

[Text] Egypt already has oil security in terms of the needs of local consumption and the existence of enough oil surplus for exportation. This is great, but what is more important is to preserve and maintain that oil security for the next 15 or 20 years during which the world expects to face an energy crisis as a result of the end of the era of cheap oil and the depletion of oil resources before the development of energy substitutes.

It may sound strange to some to be talking about Egypt's oil security in the nineties when we are still at the outset of the eighties. But energy issues cannot be dealt with on a year to year basis or even in five-year plans. They have to be tackled on a long-range and long-term basis. Witness the fact that most of our present oil supplies come from fields which were discovered, developed and contracted out more than 10 years ago. These are the Gharib, Al-Bala'im, Al-Murjan, Al-'Alamayn, Al-Razzaq, Al-Gharayiq, Abu Madi, Abu Qir and others. That is to say that we are enjoying today the results and fruits of ideas developed and efforts made more than 10 years ago. What we think about today will bear fruit in the nineties, for this is the nature of the oil industry.

If Egypt's oil security were only a question of securing the needs of local consumption of oil products, which are expected to rise from 12 million tons at present to about 45 million tons in the year 2000, then we need not worry. Egypt's present oil reserves and the oil exploration now going on are capable of insuring that. But when it is a question of securing the needs of local consumption plus maintaining our ability to export oil, then it is a different story. For in that case we need several times the volume of the present reserves. According to a report by the National Production Council, we need to increase the reserve level to 1,750 or 2,000 million tons—an increase of about 1,400 million tons. This would require the

development of exploration and production methods, because the experience of the past 15 years, for example—that is from 1963 to 1977, according to a report by the Oil Authority—indicates that the sinking of 280 exploratory wells (or 2.5 million feet) has only added 416 million tons (3,000 million barrels) to the Egyptian oil reserve. With this in mind, the addition of 1,400 million tons means that exploratory efforts have to be tripled at least during the next 15 years so that the discovered wells may be used. This kind of effort is practically impossible. Therefore, we must:

One--Develop the methods of exploring for and producing oil which are still moving horizontally, by expanding the scope of exploration activities in the western desert, the delta and the Gulf of Suez as well as expanding the area of discovered oil wells by digging more productive wells. This is not enough, however, and must be complemented by vertical action designed to regulate and organize oil exploration operations to improve their performance as well as to increase the produce of the oil wells to obtain the largest possible return.

Two--Rationalize and organize oil consumption so as to raise the level of efficient use of locally produced oil.

Three--Organize the production of oil wells by linking their production averages to the average of increases in the reserve.

Rationalizing oil exploration is called for by Egypt's experience. Egypt has thus far dug more than 500 exploratory wells, that is an average of one well per 1,600 square kilometers of land and offshore oil areas. This is lower than the density of Libya's oil wells where there is a well per 1,200 square kilometers and higher than Algeria's density where there is a well per 2,700 square kilometers. In return, Egypt discovered about 5,500 million barrels of oil and gas against 27,000 million barrels in Algeria and 32,000 million barrels in ! ibya. No doubt, the Egypt soil has room for more exploratory wells, but we have reached a point where we should not just depend on expanding the area of exploration which was recently about 600,000 square kilometers, but should also intensify exploration studies by examining the information and data culled from geological and geophysical surveys and the results of the wells which have been dug to form a more accurate and clear picture of oil basins and deposits and help prospectors in selecting new drilling locations. We should also increase the level of use which can be made of exploratory efforts, by making maximum use of the data available from previous exploratory efforts. This is a task in which he cannot depend on the companies presently engaged in exploration and production because their daily tasks and problems would not enable them to go into such studies in depth. Such a task requires a special, full-time body which would have at its disposal all available geological data and be supervised by experts with experience in the nature of the Egyptian land and soil. This kind of work cannot be undertaken by the foreign companies invited to prospect for oil in Egypt, since those companies are primarily interested in the area of

concension and no other area. When several companies operate in the same oil regions, such as the Gulf of Sucz, the western desert or other areas, then we urgently need to pull together the disparate efforts of those companies so as to formulate a general view—a view which any one single company operating in a specific area cannot formulate on its own. By forming a comprehensive geological picture of Egypt, we can then make maximum use of the funds set aside for oil exploration. Luckily, the oil sector has actually begun to apply scientific methods in gathering and verifying geological data etc. This is an important prelude to the carrying out of such exploratory studies, and it is our hope that the oil sector will intensify such studies to speed up the doubling of the oil reserves by means of the least possible number of exploratory wells over the next 10 or 15 years in order to achieve oil security for Egypt.

The need to increase the yield of oil well deposits derives from the fact that Egyptian efforts are primarily geared toward expanding the area of discovered wells by digging more productive wells and injecting them with gas and water to preserve their vitality. But those traditional methods of production cannot obtain from the oil wells more than one quarter or one third of the oil discovered in them, except in rare cases. Thus the rest of the discovered oil remains locked in the ground. It can be said that the total amount of oil discovered in Egypt since the inception of the oil industry is nearly 2,000 million tons, but what can be extracted by traditional methods, including injecting wells with water and gas, may not be more than one third that amount, that is about 700 million tons (this is called the main reserve of oil in Egypt). Of this quantity, about 250 million tons have been produced over the past 70 years, and the rest is still buried in the ground. The additional amounts which can be extracted from that quantity depend on developing the methods of production. This is not only Egypt's problem, but the problem of all oil-producing states. However, oil thirsty nations, such ar the United States and Canada, are not satisfied with traditional methods of production, including the injection of water and gas in the wells, but also resort to production methods which use water vapor, chemical dissolvents and others to increase the yield of oil wells. Such operations are very costly and require intensive studies and large outlays which were not possible when the price of oil was \$2 or \$3 per barrel. But with the increase in oil prices, such methods became feasible, especially when prospects of discovering new wells decrease and the costs of d.ing so increase. To increase the rate of extraction from Egypt's oil fields by 1 percent, for example, would mean an additional 20 million tons, or the equivalent of discovering two small fields the size of the Al-'Alamayn field. Increasing the degree of extraction by 2 percent would be equivalent to the addition of a medium-sized field such as the Gharib field, and increasing it by 4 percent would mean the addition of a huge field.

The application of those methods of production requires a thorough survey of the oil locations in Egypt and several detailed, in-depth studies and field tests—a task which we cannot ask the present companies which are producing

oil to undertake because of their pressing day-to-day tasks and problems. Therefore such a task requires a full-time and exclusive body.

By nature, studies about rationalizing oil exploration and increasing the yield of oil deposits are long-term, and it would be years before their results emerge. Therefore, we should begin such studies quickly so that we may be able to make use of them in the nineties—the critical oil era.

The rationalization of oil consumption will also help in achieving oil security for Egypt. But this is primarily the responsibility of the large oil consumers, that is the government sector, electricity and industry which consume more than 40 percent of oil products. Average consumption per capita in Egypt in 1278, for example, was about 250 kilometers (or 9.7 million tons of oil products among 38 million people) compared to a world-wide average of 1,400 kilograms per person and about 2,900 kilograms per person in Europe). That is to say that the rate of consumption per person in Egypt is low and would become lower, if we excluded the government sector, industry and electricity. The average consumption per person in Egypt is decreasing to less than 200 kilograms of oil products annually. Therefore, we should not expect much from efforts to rationalize the consumption of oil unless we concentrate on rationalizing consumption by the government, electricity and industry.

The electricity sector consumes mazut and natural gas to operate thermal power stations. This consumes some 2 million tons of mazut which will rise to 3 million tons to operate the new thermal stations. If the electricity sector continues to build more thermal stations, consumption will rise to 7 million tons by the year 2000. This conflicts with the course of consumption rationalization which would require the electricity sector to devote special attention to hydroelectricity and nuclear power to relieve the pressure on oil. If the electricity sector manages to do that, then this would manifest real rationalization of oil consumption.

The industrial sector is also one of the biggest users of oil. Two responsibilities fall on it:

One--The responsibility of reducing its consumption of energy by using factory equipment and machinery of the kind which saves energy. Because of the developing nations' penchant for industrialization, many manufacturers are taking advantage of this situation by selling the developing natious uneconomical machinery and equipment which cannot now be marketed in the industrial nations because of the restrictions imposed by consumption rationalization measures.

Two--The industrial sector is responsible for the production of home appliances, such as refrigerators, washers, stoves etc. These should be economical in the use of energy. Thus the industrial sectors bear a great responsibility in the efficient use of oil, in particular, and energy, in general.

The decisive element in achieving oil security for Egypt is the organization of the production of oil. What is involved here is linking the averages of oil production to the average increase in the oil reserves which can definitely be extracted, on the one hand, and the average increase in local consumption, on the other. This requires a continuous examination of the figures of stored oil reserves which can definitely be extracted and of the results of efforts to rationalize the consumption of oil. Through such continuous examination and follow-up, it can then be possible to determine the best rate of production in the Egyptian oil fields from time to time.

If Egypt is producing about 30 million tons per year at the present time, this rate of production should only increase at a rate equivalent to the increase in guaranteed reserves. Production should be increased from 30 to 50 million tons, for example, only if guaranteed reserves are to increase by the same percentage, especially since Egypt uses its reserves at the rate of 6 percent (an annual production of 30 million tons from a reserve of 500 million tons), which is quite higher than the world rate of depletion which stands at about 3.5 percent. This rate is only bettered by those countries which are rich in resources of energy substitutes, such as coal, nuclear power, oil shale etc.

By organizing the production of oil Egypt can safeguard its oil security and export any surplus oil within the bounds permitted by the extra oil reserves.

Before It Is Too Late

Egypt now enjoys oil security, but it can slip out of the safety belt if it failed to watch out and plan for the nineties. It is in the nature of the oil industry to draw up long-term plans. Egypt's oil security will depend on the following:

1--Efforts made by the oil sector in terms of rationalizing oil exploration operations and increasing the yield of oil deposits, all of which require intensive and long-term studies. Also, efforts made by the oil sector to organize oil production in the light of the results of such studies.

^--Efforts made by the electricity sector to develop nuclear and hydroelectric power stations to relieve the pressure on oil.

3--Efforts made by the Egyptian industry in terms of insuring the efficient use of energy in its factories and plants and in manufacturing energy-saving machinery and equipment.

It is our hope that this matter will receive the attention and concern of the Higher Council for Energy.

9254

CSO: 4802

MAJLES ELECTION ACTIVITIES GET UNDERWAY

Changes Worry Election Committee

Tehran BAMDAD in Persian 24 Feb 80 p 12

[Article: "Concern Over Extensive Changes of Governors General, Governors, and Lt Governors Expressed in Meeting with Dr Bani-Sadr of the Executive Committee of the National Organization for the Supervision of Free Elections [NOSFE]: Seven Pronouncements of the NOSFE"]

[Text] The Executive Committee of the NOSFE met with President Bani-Sadr yesterday and in response to previous correspondences and announcements concerning securing complete freedom in the elections of the Parliament [Majles-e Showra] announced the following pronouncements demanding that they be acted upon accordingly:

- 1. The responsibility for free elections should be accepted by the person of the president.
- 2. A committee consisting of judges and personalities trusted by the people should be appointed by the president to oversee all aspects of the election in order to insure free elections throughout the country.
- 3. As it was brought to the attention of the president, the extensive changes of governors general, governors, and lieutenant governors (a list of whom was provided) as well as the changes at the top posts of the Ministry of State and other sensitive positions during the past 2 months has created concern among the people that a preordained list of potential representatives is being forced upon them.

Therefore, the committee demanded insistently that those influential officials who are candidates or who have a specified political stance should be removed from their positions as soon as possible.

This matter is particularly urgent in the case of those officials in the Ministry of State.

- 4. The job of keeping order will be given to the bailiffs of the Ministry of Justice alone, who will carry out their duties with complete impartiality.
- 5. During the elections a committee will be appointed by the president to have complete supervision over the press, radio and television, making certain that Article 175 of the Constitution concerning the media is observed to the letter.
- 6. As the committee has explained, the division of electoral zones has been arranged such that only representatives of the majority will be elected to the Parliament. For example, Shahr-e Rey, with a population of 750,000, and Shemiranat, with about 500,000, have been designated for voting purposes as part of Greater Tehran even though these areas have independent regional governments [farmandariha] and have had separate representatives, while Felavarjan of Esfahan [Province] with a population of 290,000 has been divided into two electoral zones; and Torkamanshara has been divided into 6 electoral zones, in every one of which Sunni brothers are pit against Shi-ite brothers, which is bound to create many problems in the area.
- 7. A two-stage election (requiring an absolute majority) is sure to result in minorities not being able to send their representatives to the Parliament; consequently, the reasonable and responsible struggle of these minorities will turn into chaos and will threaten the peace of the country.

In his response, the president, emphatically supporting the freedom of the elections, promised to expend all his efforts to insure free elections in order to protect the fruits of the revolution.

Sanjabi: National Front Attitude

Tehran KEYHAN in Persian 21 Feb 80 p 1

[Report on interview with Dr Karim Sanjabi, member of the Central Committee of the Iranian National Front by correspondents of PARS NEWS AGENCY, 20 Feb 80, in Kermanshah after a public speech: "Sanjabi: National Front Must Continue"]

[Text] Since the disappearance of the Twelfth Imam there has been no religious leader in the Islamic world as great as Imam Khomeyni.

Kermanshah--Dr Karim Sanjabi, member of the Central Committee of the Iranian National Front, was welcomed in Kermanshah yesterday by various groups and tribes of Kermanshah. At a public gathering in Bisotun, referring to the history of the struggle of the people against dictatorship and subjugation, he recounted the characteristics of the Islamic Revolution of Iran under the leadership of Imam Khomeyni.

In an interview with PARS NEWS AGENCY, Dr Karim Sanjabi also expressed his views on the elections and current changes in the country. The text of this interview follows:

Concerning the election of the Islamic National Parliament [Majles-e Showra-ye Melli-ye Eslami], Dr Sanjabi said:

"No one should change in action. At the time when I was companion to the late Mosaddeq and took part in his struggle, my views and practices were the same as they are today. I see now that only a handful of the original supporters of Dr Mosaddeq remain and I, too, am approaching the final years in which I may legally be politically active."

Dr Sanjabi then compared the elections of today with those of that [Mosaddeq's] time and stated: "If we can successfully carry out our mission in this period of history we will be able to believe in ourselves, in our mission, and in our role. In those days, Dr Mohammad Mosaddeq was the standard bearer. At the present time, the flag of Iran is carried on the shoulders of his holiness, Ayatollah Imam Khomeyni, and we hope that he will keep the flag waving forever high with an honor deserving of history and great historical ideas.

"Three days ago I said at the National Front that a foreign magazine has named the Imam 'Man of the Year.' We hope that in addition to being 'Man of the Year' he will prove to be the Man of the Century. And we even hope that for the glory of the people of Iran he will prove to be the Man of the Millennium. Since the disappearance of the Twelfth Imam—may God grant his speedy return for our relief—there has been no religious leader as great as he in the Shi'ite world and perhaps in the entire Islamic world, who has called for the support of the downtrodden in the Islamic world making this a universal slogan, a slogan which has even overshadowed the slogan 'workers unite.'"

The correspondents asked of Sanjabi to what extent making Mr Bani-Sadr the commander-in-chief could help in establishing law and order and restoring calm.

Sanjabi replied: "Ayatollah Imam Khomeyni has brought the military under a legal framework through this important decision and I hope it proves to be a very effective measure.

"Neither the president nor anyone else can fulfill the national objectives alone. Everyone must help the president carry out these programs. And we, too, will make an effort to do our share in this national endeavor."

National Front Must Continue

Concerning the role of the National Front at the present time, Dr Sanjabi said:

"The National Front has been the political wing of this movement and of the Revolution and must remain so.

"The National Front is not an organization of negativist and destructionists, it believes in constructiveness. Therefore, it will do whatever is
in our power to establish a legal system of government. Here amongst my
honorable fellow townspeople, I say that I am the same as I was 30 years
ago. I still have the same duty to perform. Concerning the National
Front, I must say that it represents an extensive outreach and a comprehensive concept. And the extensive concept of the National Front is witnessed in the will of the majority of Iranian people to fight against
colonialism and imperialism, whether Eastern or Western. We have upheld
this ideology from times past and upon various opportunities have expressed
it. Here once again I wil! seek help from the Koran and say, 'La sharqiya
va la qharbiya' [in Arabic], neither support the policies of and cooperate
with the East, nor the West."

In concluding this interview, Dr Sanjabi addressed the people of the Province of Kermanshahan saying:

"The people of the Province of Kermanshahan, as Moslems, Iranians, and Kurds, must be aware of the dangers which are brought upon us by foreigners. As a Moslem people, they must be the guardians of the Revolution. As a Kurdish people, they have an essential, perilous duty since Kermanshah is a representative of all Kurdish regions whether in or outside of Iran. The city of Kermanshaha is the largest Kurdish city, and the Province of Kermanshahan is the most populous of Kurdish provinces. Of course, we must attend to the legal and lawful demands of the Kurdish brothers. We must strive for Islamic unity, and regardless of religious differences, we must show that we all follow Islam, and we are all brothers. We must then show that we all belong to Iran and must protect the national unity of Iran. The people of Kermanshah and the inhabitants of this border province must be especially responsive to any threats or incitement at the borders."

Positions of Various Groups

Tehran KEYHAN in Persian 20 Feb 80 p 1

[Article: "Participation of all Political Parties in the Election of the Parliament"]

[Text] Noon today was the deadline for the registration of candidates for the National Parliament [Majles-e Showra-ye Mc' the Ministry of State and the offices of governors general and governors. Probably within the next week the names of those candidates who qualify according to the explicit text of the Constitution will be announced as they are reviewed. After the election of the Assembly of Experts [Majles-e Khebregan], the election of the National Parliament will be of special interest since for the first time in the history of Iran all groups, parties, and organizations, regardless of their ideologies or beliefs, will be able to go to the ballot boxes.

The first step along this path was taken in recent years in the election of the Assembly of Experts, and for the second time the people will be afforded such an opportunity through their revolution. This point is especially important at this time when the members of the Revolutionary Council have noted several times that all groups can participate in elections and nominate their candidates, who can be elected if they obtain the necessary votes. To date, the vast majority of parties, organizations, and political groups, both religious and secular, have announced their readiness to participate in the elections.

The free atmosphere of post-revolution has afforded the open expression of views of all political parties and coalitions. The following consists of announcements, statements, and demands of political parties, groups, and organizations as well as the names of their recent candidates.

Election Announcements

The most important of the announcements of yesterday and today is that of the Ministry of State concerning the legal restrictions on political advertisements of candidates for the National Parliament. In this announcement, Hojjatoleslam Hashemi-Rafsanjani stated that according to Article 38 of the election laws, advertisements may begin after the names have been posted and may continue up to 24 hours before the election, after which time they will be forbidden.

"The Advertising Committee for the Professive Candidates for the National Parliament" has published an announcement concerning its views on its struggle in three areas: anti-colonialism, anti-dictatorship, and anti-subjugation. In addition, it has presented a program of 16 points. Top priority in the Committee's program is given to securing independence through a complete break of economic, political, cultural, and military dependence upon universal imperialism which is headed by the U.S. The candidates of this Committee are as follows:

Hojjatoleslam Musavi-Kho-ini, 'Abbas Agah, Mehdi Abrishamchi, Reza Estahani, Dr Eftekhar, Dr Habibollah-Peyman, 'Ali Mohammad Tashayyod, Dr Hasan Tavanayanfard, 'Abbas Davari, Ashraf Rabi'i, Mas'ud Rajavi, Zahra Rahnavard, Dr Kazem Sami, Eng Ezatollah Sahibi, Haj Mohammad Shanechi, Hojjatoleslam Mojtahed-Shabastari, Dr Puran, Shari-at Razavi (Shari'ati), Dr Mehdi Askari, Mariyam Taleqani, Dr Nezamoddin Qahhari, Dr Morteza Katuziyan, Ayatollah Golzadeh-Ghafuri, Dr Mohammad Maleki, Parviz Yaqubi, Eng Lotfollah Meysami, and Mostafa Mirkhani.

Guidance and Islamic Assiduity Association (HOMA)

HOMA, in its sixth pronouncement, attacked those candidates who will hold positions and who under various pretexts, including celebrations, victories, reports on accomplishments, and religious ceremonies, repeatedly seek publicity on radio and television. This pronouncement also protested the meeting with the Imam of five members of the Islamic Republic Party and the rebroadcast of this meeting calling it a maneuvered attempt to suggest that they alone have the support and trust of our honorable leader. Another section suggested that:

The president should appoint a competent and impartial committee to head this important organization [HOMA] and those who consider it their right alone to supervise the society and the people's ideological directions should refrain from exercising total control over this organization at least during this one month of elections so that the people may freely decide upon their candidates and their own futures without the ideas and opinions of others being forced upon them.

National Coalition

In their first statement, the National Coalition Forces have offered a rather detailed program for the elections. The following consists of a list of their candidates:

Mehrdad Arfa'zadeh, Dr Mohammad Ebrahim Bastani-Parizi, Eng Reza Pasandideh, Reza Shayan, Dr Rahim 'Abedi, Dr Mahmud 'Enayat, Dr Sa'id Fatemi, Eng Abolqasem Qandehariyan, Ebrahim Karimabadi, Hoseyn Golzar, Hasan Mir-Mohammad-Sadeghi, Hoseyn Nayeb-Hoseyni.

This group has presented a coalition of candidates consisting of Khosrow Qashqa'i from Eqlid, Mansur Reza'i from Shahriar, Mehdi Iraj Qashqa'i from Fars, and Manuchehr Qashqa'i from Lar.

This coalition has announced that it supports these candidates from the Iran People's Party: Parvaneh Foruhar, Khosrow Seyf, and Dr Behruz Borumand.

Society of Jurists

The Iranian Society of Jurists has issued a statement concerning the election of the first National Parliament in which it protests a two-stage election and condemns the procedure of accepting volunteers as election officials. Concerning the two-stage election, it states:

In practice, as the experiences of the French elections since the time of de Gaulle have proven, this procedure serves to attract wheeler-dealers to the scene ultimately forcing the voters out of the picture. This procedure results in the favorite candidates of the people who have gained a proportionate majority in the first round being forced into a showdown with the united alliance of wheeler-dealers, resulting in their being forced out of the elections. And it would seem that here, too, this very goal has been in mind when this procedure was devised.

Tehran Candidates of Moslem Associations

The Association of Moslem Newspaper Correspondents, the Islamic Center of Qest, the Moslem Students' Association of Teachers' University and the Industrial University of Sharif, the Society of Moslem Students of the Art Secondary Schools of Aminoddoleh and Qoddusi, and the Association of the Moslem Employees of the Plan and Budget Organization have announced their Tehran candidates for election as follows: Gholam Reza Azaresh, 'Abbas Agah, Mehdi Abrishamchi, Mahmud Ahmadi, 'Ali Mohammad Tashayyod, Hasan Tavanayanfard, Eng Yazdan, Haj Hamzeh, 'Abbas Davari, Ashraf Rabi'i, Mas'ud Rajavi, Fatemeh Reza'i, Mohammad Seyyedi-Kashani, Ma'sumeh Shadmani, Haj Mohammad Shanehchi, Mariyam Taleqani, 'Ozra 'Alavi-Taleqani, Mariyam Qajar-'Alavi-Talegani, Dr Golzadeh-Ghafuri, Dr Seyyed 'Abdolkarim Lahiji, Majid Mo'ini, Dr Mohammad Maleki, 'Ali Reza Mansuri, Dr Manuchehr Hezarkhani, and Parviz Ya'qubi. On the list of the Islamic Center of Qest, these names appear: Abuzar Vardasbi, Kazem Sami, Mojtahed Shabastari, Dr Naser Katuziyan, Ayatollah Lahuti. In addition to the abovementioned names, the list of the Association of the Moslem Employees of the Plan and Budget Organization also includes the following names: Dr Mohammad 'Ali Ranjbar, supervisor of Sharif Industrial University; Professor Jalal Ganjeh'i; and Mojtahed Shabastari.

Suggestion for a Proportionate Majority

The Tudeh Party of Iran in an article sent from MARDOM newspaper to KEYHAN has proposed that to insure a democratic election a proportionate rather than an absolute majority must be called for. By way of example, the article states that if an absolute majority is required, an organization which can provide 1.1 million votes will be able to elect all the candidates to the Parliament. But if, on the other hand, a proportionate majority is required, every group can send representatives to the Parliament in proportion to the votes it gets in the ballot boxes. In this way,

the Parliament will be 100 percent democratic and the representatives of all parties and organizations, regardless of their ideologies, can be part of it, and the Parliament will then be a truly national one.

Independent Candidates

Dr Mohammad Baqer-Shayvardiki, one of the deputy ministers of state, is a candidate for the National Parliament from Tehran. Other candidates include: Kuros Kakvan from Shahsvar; Mohandes Khalil Shirakvand from Varamin; and Morteza Tajiki from Tehran, the former wrestling champion and a friend of the world-champion, Takhti. KEYHAN has also received a long list of signatures from the dedicated people of Taleqan nominating Mohandes Hoseyn 'Ala'i-Taleqani, son of the great freedom-fighter Ayatollah Taleqani, as a candidate for the National Parliament from Karaj.

Withdrawal of Shirvan's Candidate

Ahmad Sediqi, the agricultural advisor of Shirvan, who was nominated by several groups as a candidate for the National Parliament, announced his withdrawal in a telephone conversation with KEYHAN saying that he believes he can best help Shirvan's noble, hardworking people in his present position. Ahmad Sediqi also expressed his gratitude to those groups who endorsed him.

Following their announcements of the Tehran candidates of the Guerrilla Organization for the People's Fadi'i of Iran, the Organization announced their candidates from provincial cities to KEYHAN as follows: Abdollah Eqdami from Baneh; Rahim Mahmudi from Mahabad; Farideh Qoreysh from Sanandaj; 'Abdolreza Karimi from Marivan' Anvar Soltani from Bukan; Mohammad Judati from Borujerd; Abolfazl Mohaqeqi, Mohammad Moniri-Fazel, and Hamid-Beygi from Tabriz; Nasim Rumaz Khaksar from Abadan; Javad Khatami from Ahvaz; Naser Rahimkhani from Andimeshk; Sadeqeh Sarafat from Shiraz; Lotfollah Majdzadeh from Shahrikord; Morteza Meysami from Qazvin; Nasroddin Karimzadeh from Bandar 'Abbas; Dr Mohammad Joshani-Amlashi and Zagham Mahmudi from Rasht; Iraj Nayeri from Lahijan; Seyyed Mohammad Qaruni-Hashemizadeh from Mashhad; Ferdows Jamshidi-Rudbari from Qa'emshahr; and Hasan Samadiyan from Babol.

9593

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REVOLUTION OF IMAMS DISCUSSED

Pari: LE MONDE DIPLOMATIQUE in French Feb 80 pp 8-11

[Article by Yann Richard, an Iran-watcher, author of a book on "Shiism in Iran," currently being printed in the Jean Maisonneuve edition, Paris-words in slantlines were printed in italics.]

[Text] Out of some 700 million Muslims, only 150 million are Arabs. As for the Shiites, who could be numbered at 85 million, they are by no means all Iranians, and their strongest community (about 32 million) is that on the Indo-Pakistani subcontinent. The only peculiar thing about Iran (36 million inhabitants, 30 million being Shiites) is that it is the only Muslim country where the huge majority of the population belongs to the cult of the 12 imams.

Although one must still recognize within the Shiite family diverse branches, especially Ismaelism (widespread today in India) and Zeydism (which has a long history in Yemen), we will speak mainly here of the most numerous branch, that which views Ali, cousin and son-in-law of the Prophet, and his ll descendents in direct line, as the heirs of Muhammad (Mahomet), that is to say, as the legitimate heads of the community after him; for this reason it is called /ithna 'ashariya/ Shiism, or Shiism of the "twelve imams."

It is difficult to depict the typical Shiite Muslim, for, whatever one may say, his similarities to his Sunni brother is much stronger than his differences. All professing Muslims are called to belief in the oneness of God /(towhidi)/ and in the prophecy of Mohammad; for all, the Koran is the last and most perfect of holy books. It is true that Shiism has developed, in Iran, since the 16th century, with set features, especially in political structure; but this has not always been so.

What externally differentiates Shiism from Sunnism are non-essentials: the cult of the imams, especially the great mourning for Hoseyn during the month of /moharram/; a significantly different call to prayer; unique legislation regarding inheritance or marriage, etc. But the Shiites, having always lived in regions where the Sunnis were a majority, endowed their religion with a fault-finding cast--it did not recognize the authority of the Caliphate--and, as they were threatened for these views, they allowed themselves a mental dissimulation: the famous /ketman/ or/taqiye/; in a

religion whose memory of persecution is very much alive, this dissimulation is above all a means of avoiding danger. It is justified by two verses of the Koran: /"Believers must not take as friends unbelievers in preference to believers. He who would act thus can expect nothing of God--unless such people pose no threat to you."/ (III, 27/28, transl. D. Masson), and /"He who denies God after having believed--not he who endures coercion and whose heart remains peaceful in the faith--(...) the wrath of God is upon him..."/(XVI, 108/106).

Repercussions in Iraq and Lebanon

Obeying this instruction, the Shiite community has tried, and still tries in many cases, to dissolve into the mass of Muslims. This is why they are little remarked in India, Pakistan, Iraq, etc. It is true that in India a large proportion of the Shiites are Ismaeli community followers of the Aga Khan (himself of Iranian origin): the Ismaeli doctrine, with a strong streak of esotericism, has not succeeded the field of political domination since the fall of the Fatimites of Egypt (1171) and of Alamut in Iran (1256).

In at least two countries observers are on the lookout for repercussions from the Iranian Shiite revolution: Iraq and Lebanon. In Iraq, although, according to some, they are a majority of the total of some 12 million inhabitants, the Shiites only recently, by virtue of a resolutely secularizing policy, found access to important administrative posts. Grouped around the Shiite holy places (Najaf, Karbala, Samarra, and Kazemeyn), they have been up to now the faithful depositories of the Shiite theological tradition, and by the same token, indirectly, the protectors of the Iranian ulemas from the persecution of their own country's political authorities.3 The Ayatollah Khomeyni, profiting from the climate of hostility between the Baath regime and the empire of the Shah found at Najaf, near Ali's mausoleum, a pleasant and well situated forum from which to undertake political opposition with the Iranian ulemas. Conversely, after the death of the Ayatollah Borujerdi (1961), the Shah, hoping to find in his successor a theologian who would not meddle in affairs of empire, had pressed for the title of /marja/ al-taglid ("the model to be emulated") to be accorded to a majtahel (translation unknown) from Najaf, Sheikh Mohsen al-Hakim.

Even in Iraq Shiism only occasionally plays a political role: after some rioting, some ulemas are hanged, which causes the rest of the community to stop and think for a few years. But this is far from the subtle power struggles which have agitated Shiite Iran since the Safavides: in Iraq, the Ottoman power represented for Shiites a bar to any fusion between political and religious power; then this role was played by the English, and today by the secular authorities. Baghdad has no more iniquitous throne to the secular authorities. Baghdad has no more iniquitous throne to the sperity. What better could be hoped, when for centuries they were brush aside politically and now discrimination is finally abolished? The Iraqi distes will never be absolute masters of their pluralistic country: simply not to be second-class citizens, that is their objective.

The case of Lebanon is less clear: the balance between the three big communities is codified on an outdated basis which gives priority to the Maronite Christians, then to the Sunnis, the Shiites only getting secondary posts. Well, for 20 years, people have been waiting for a real Shiite explosion, the Shiites being the "growing minority" of Lebanon and in addition now representing more than a third of the population, larger in numbers than any of the other two minorities (it is believed there are more than 600,000 Shlites but there are no statistics to verify it). A rustic population, mostly illiterate, feudal structure consisting of a mass of the very poor dominated by several great families, the Lebanese Shiites are found in two plains areas, one in the northeast, the other in the south of the country, along the whole length of the border with Israel. They live on traditionally better terms with the Christians -- who even share some villages with them -- than with the Sunnis, who are highly urbanized and accustomed to Ottoman administration. Finally, they have been rather suspicious of the Palestinians, who came to Lebanon as to a conquered land and whose border attacks attracted harsh Israeli reprisals on Shiite villages.

Lebanese Shiism changed considerably, starting in 1960, under the impulsion of a theologian of Iranian origin, the imam Moussa Sadr, who tried to reform this community which lacked a structured party. The creation of the politicomilitary organization Amal ("Hope") envisaged leading the Lebanese Shiites out of their feudal torpor and, eventually, restructuring the country at the expense of the Sunnis. This was the mission, through years of civil war, of another Iranian, a Khomeyni-ite and graduate of Berkeley: Mostafa Tchamran (who became, in the summer of 1979, the leader of Islamic militias in the repression of Kurdistan, then minister of war). Political alliances are not simple in Lebanon, and one cannot draw too many conclusions from the talks which have been held between Shiites and the Phalange or Israel. Their community, already impoverished economically, was cruelly hit by the Israeli reprisal raids in South Lebanon, and many refugees collected in the outskirts of Beirut. The imam Moussa Sadr and Tchamran created a great wave of solidarity to bring help to these "disinherited."

Lebanese Shiites thus represent a large but poorly structured force in the conflicts which continue to agitate the Middle East. They are more concerned with escaping their misery than with sticking to a rigid political line, which explains their willingness to enter into dialog with "the devil." Since the mysterious disappearance in 1978 of the Imam Moussa Sadr, and the return of Mostafa Tchamran to Iran in 1979, the importance of the bond with the mother community is making itself felt—all the way from its heart at Qom—and the lack of sufficiently trained Lebanese cadres is also becoming apparent. Will the Lebanese Shiite community continue along the Khomeyni path, alongside the Palestinians, or will it be preoccupied more, as it has in the past, with its direct interests, safety (at the price of a tacit agreement with Israel), and struggling against misery?

it is a the delite community to not a transparent as some at first gland, forms e-since as electron-established on the religious prefer-The Time are nonexistent: the non-Muslim minorities (Zoroastrians, Ar or lan Christians and Assyro-Chaldeans) are less than a million trees, of wort I percent of the population. The Pahais are considered Mulle, virus their community was never legally recognized (Italian rientalist Bausani says there are 500,000 Bahais in Iran, but this figure tem greatly exaggerated). The Sunnis are found in the allogeneous and marginal provinces: or 5 million Iranian Kurds, 4 million are Sunni; simliarly the majority of Turkmen, in the north of the country, of the Baluchis, in the scatteast, and part of the Arabs of Knuzistan in the southwest, the billing represent therefore less than 05 percent of the Iranian population (which permits some little adjustment to the optimistic estimates on recent voting), But, in reality, since 1501, when the first Safavide sovereign, Jun ramail, imposed Shiism on Iran as the official religion, all the country's forces have been put at the service of the 12 Imams: The people of .ran were ultimately identified with the Shiite community; the imamite the larians who, since then, have seen their first great historical experionce, never stopped intervening in the affairs of the kingdom, whether to irrichate heretics, the Sufis, the Babis, and Bahais, or to impose on the reversign decisions deemed critical to the preservation of the integrity of the community. Thus, in 1391, the powerful motjahed living in Iraq. Mirza Figure, immend the bougett of all tobacco consumption, and forced Managraddin Shah to aroul the totacco monopoly concession of a British subover Iranian tobacco: for the first time, the religious and national lightly of the Iranian people responded with unanimity against foreign contrainf the country's economy.

the storic naturally qualify the ascendancy of Shiism over Iran's public life; service ideas, imported from the countries of Europe, have made some life; service in the usually wanting the support of modern institutions and powerfully entitled inder the old regime. The main support of the Shiite uleran it still the ternar, the traditional merchant class, whose social tabits, groupings, and mutual assistance as well as cultural references are then. Hereful, and centered on Islam. These businessmen, formerly all-pressure, resisted somehow for a whole century the introduction of Western structures, which, though more efficient, continually reduce their field of action.

The other name of apport for Iranian Shiirm is the intellectual youth, tions on technic of Iran's great economic and ismographic development in the Iran's years, went to University without losing their force and vigor termin to latent respitable of the traditional elite culture or through the verternism of the upper middle class: armed with little books by Tarlari, they went, with their faith and price, to stand by the little pecide in the sample.

hat had her does not only manifest itself in these app tites for power. It has feen here said, since the events in Iran, that the Shiite doctrine had unlike political implications: it does not allow anyone to usurp the power of the Welfth Imam, the Mandi, torn in 19 and "occulted" (but still alive) the day of his father's death in 57b: it is he who is the true head of the community.

A United Do trine of Power

inlike the Junni community, which recognizes established political authority (the Cariphate, then its modern avatars, whether monarchic or republican) the local not confer on it very great powers in matters of faith, Shiism evolved a legitimist vision of power and, in religion as in politics, looks to the authority of the imam, descendent of the Prophet through his daughter Fatima and Ali. The fact that, for the Shiites, the divine revelation completed with the Koran has been spiritually extended by the teachings of the imam, who are one with the Prophet in "the reality of Mohammed," gives continuable significance to the charisma of the spiritual and political leader. They describe him in ideal terms, mixed unquestionably with the dreams of Platonic philosopher princes.

The sectrinal originality of Shiism is to have added to the three basic four-intions of the faith (divine oneness, the prophecy of Mohammed, and resurrection) the two principles of God's justice and the justice of the imamate. In effect, in contrast to certain Sunni factions (asharism) which insist on God's arbitrary will, Shiism (in accordance with the motazelite theologians) proclaims that God cannot act unjustly; this implies a certain rationality of the creation and, above all, man's liberty to choose him own actions—otherwise, in effect, God would be punishing man for a disobedience for which he could not have been responsible.

The image is in some ways the consequence and the application of the principle of Justice to the leadership of humanity. God, who created man, could not allow them to go to their doom: this is why he sent them the prophets, of whom Mohammad was the last, to guide them on the way of justice and truth. Fit, after the leath of the last prophet, it was unthinkable that God, in the witter, should leave man to himself, without the presence in each epoch, of a spiritual guardian, a proof of the truth of the Revelation, to lead the community: this is the imam (or "guide"). As ne plays a fundamental role in the relations between God and men, the imam cannot (as happens with the Sunnia) to chosen by Fallitle humans, and delivered (like the Zeydites) to the vicissitudes of history. The imam must fulfill certain conditions: be perfectly instructed /('alem)/ in Islam, the /fequ/ (religious law) especially; to perfectly just /('adel)/ and equitable; be perfect, free of fault /(mayum)/, that is to say be must be a part of what Corbin calls the "immaculate Plerchoma" of the Shifte gnostics (the Forty Very Pure Ones: Mohammad, Fatles, and the Imams, who have existed throughout eternity); be the most perfect of his age /(afral)/, for it is imponceivable that the more perfect and obey the less perfect.

in antition, these first conditions are guaranteed and completed by one really essential condition: the imam must be the object of a designation or investiture /(nass)/ by God through his intermediary, the Propnet or the imam who precedes him; he holds his authority from on high. Thus he is infallible and he links the human community with the invisible world.

We are, as we know, in the time of the Twelfth Imam: his absence, his "occultation," poses a problem of authority that has never been resolved in Shilem. In truth, he is the true leader (spiritual and political) of the community, and all authority must come from him. However, while awaiting his reappearance, and in absence of any direct or indirect communication with the imam, the Shilte community has had to improvise some original theological solutions.

The first solution is silence. It was by this means that Ali (the first imam) resigned himself to the Caliphate of Abu Bakr, Omar, and Osman; his own caliphate, characterized above all by the search for justice, was not a ctunning success either militarily or politically. Hoseyn (third imam) accepted, before breaking silence, the part reached between his brother Haran (second imam) and the Omeyyade caliph, recognizing thereby the latter's authority in matters of politics; his revolt in the name of justice, in response to the appeal of the inhabitants of Kufa, was tragically crushed. After him, except for the very short interlude (itself based on a misunderstanding, and without further effect) of the eighth imam Ali-Reza in the court of the young abbaside caliph Mamun, the imams stayed away from the race for power, rejecting the temptation of the Zeydites or the Ismaelis to establish their political authority. The sixth imam turned down every attempt, premature in his opinion, that was proposed to him in this vein.

This apparent passivity derives above all from political realism, in a permediated, minority community one of whose rules for conduct, as we have seen, is mental restraint. The unite doctrine, which overvalues the role of the imam, was not moreover fully formed until after the recognition of the occultation of the last imam, annulling thus de facto any attempt to recognize the pretensions of any legitimate head of the community. This explains the principled reserve of Shiism regarding political affairs.

In our times, this solution is presented in terms of a "separation of religion and state," though these terms are foreign to the dominant Islamic tradition: adverse conditions force the believers to take no interest in the political form (of government), provided that it be the least possible unjust, and to take no interest in other than spiritual matters (as in the smoother interpretation of Shiism by Henry Corbin). In such a way a modern Unite philosopher could justify his monarchist sentiments:

"The strictly political aspect of the Shiism of the twelve imams is tied directly to the personality of the imam. Perfect government is that of the imam, and it will be realized with the coming of the Mahdi. Although invisible, the Mahdi nonetheless is governing the world, but does not manifest

climatif overly in human society. In his absence, any form of government is needearly imperfect, because human imperfections are mirrored in political institutions. Shittes, especially in Persia, since the Safavide speck and even before, considered the monarchy as the least imperfect form of government, given the conditions (...). The distrust of all secular revernment after the disappearance of the Mahdi, added to the early experiences of the Shitte community, has given to the Shittem of the Twelve a certain indifference to political life (...). Freed for centuries of the burden and the responsibilities of political life, the Shittes devoted themselves all the more completely to the development of religious sciences, such as that of the arts and sciences in general."

Jill today, after the revolution, many partisans of a great traditional /moltahed/, the Ayatollah Shariatmadari tell militants of the Islamic Republic that they prefer not to mix politics and religion, and in any case do not want to see at the helm of public affairs those whose competence is only recognized in the spiritual domain. Religion, they say, is a means of control against the abuses of power, and a protection of the legitimate interests of the community. Without being totally unrelated to politics, it nevertheless should not be confused with it.

Role of the Theologians and Directed Spontaneity

The second Shiite solution to the problem of leadership of the community in absence of the imam consists in rejecting the political and religious void the occultation entailed, and relying on the most qualified theological savant (/'alem/, plural/'olama/; French: "oulema") or religious jurist /(faqih)/; that is, on the most just /('adel)/ and learned /(a'lam)/. In fact, the Shiite community, even when it is politically nonexistent, must face daily problems and, for resolving them, must know how to interpret the religious law /(shari'at)/. Thus, in place of and in the name of the imam, two functions were secured: theology and political life.

The main theological function of the aluemas in Shiism is that of "attempted interpretation," /ejtehad/, from which comes the title /mojtahed/ given to the most advanced among them: the justification of this power of exegesis in Shiism dates only from the Fourteenth Century, and has grown ever since, to the detriment of another school which, minimizing the legitimate scope of interpretation left to the theologians, sticks to the Koran, and to the holy traditions /(hadith)/. So, most Shiites today practice in simple faith the imitation of a "moiel in religion" /(marja al-taqlid)/ chosen as the wisest of the mojtaheds still living. They employ to this end the "practical treatize" composed by the mojtahed to guide his emulators and give juridical solutions to life's daily problems.

In the political domain, the nominal power of the mojtahed has been immense from the time the governigh recognized Dillism as the official religion and agreed to give its doctors at least theoretical preeminence. Thus, in an extreme case, the Dafavide king Tahmasp 1 (1524-1576) called the theologian Mohaqqq Karaki Ameli (died in 1534) "Great Seal of the Mojtahed" and

"licutement /(nuch)/ of the imam": he, the molitahed, was the real deverolds, the shan being only his assistant; he ordered that the manage to rovers he had received from the mojtaked /(e,aze)/ he wrapped with him in his alroud, so his reign would be recognized as legitimate at the last July ent. Later, under Shah Abbas 1, Chardin reports the theological dispute on whether the power of the Twelfth Imam should go to an /'alide/ (what the Safavides claimed to be) or to a mojtaked, during the period of the occultation. Under the Kadjars, the power of the mojtaheds became so great that they could, in the name of the Twelfth Imam, get their way with the king (as Mirza Smirazi in the tobacco affair of 1891). Nevertheless, the royal power remained also delegated from that of the "Hidden Imam," and the shan kept the traditional Islamic title of /Zellollah/ ("anadow of God on earth"). When, in 1907, Iran was given a constitution, the Parliament once more drew its legitimacy nominally from the Imam of the Age (Supplement, Article 2), and the legality of its acts was theoretically controlled by an aeropaga: of five mojtahed; charged with applying the religious law which was above popular sovereignty.

a third solution the Shiites brought to the absence of the imam as absolute covereign seems to have been in favor for nearly a decade in politically engaged sircles of Iranian Muslims. While minimizing the exclusive concentration of traditional doctrine on the Twelve imams, and especially the Twelfin, modern Shiite thinkers have, in effect, put the accent on the deep meaning of the imamate in terms of spiritual and political leadership, and on its reason for existence (cited above): actualization of the ideal of justime. For them, the functions of legislator and guide belonging to the imam do not do not disappear with the occultation because, for the community, the necessity of defending itself against error and tyranny is the same, before and after, and the modification of the government of the imam does not affect the functions of governance and of justice /(velayat, gezavat)/. Two tendencies can be discerned here.

The classical tendency, such as Ayatollah Khomeyni expresses with new strictness in the course of his meetings at Najaf on "Islamic government" /(vilayat-e fagih, / literally "governance of the Jurist-theologian"), 7 is based on the principle that /"the government of Islam is the government of the Law /(Qarum)/. /In this method of government, sovereignty rests exclusively in Ged. and the Law constitutes the order and decree of God"/. The community of the faithful has always had need of jurist-theologians, even in the time of the presence of the imam (trans. p. 72 sq.), because only they know the Law, have the power to interpret and apply it. But, during the imam's occultation, it is necessary to act in conformity with the answer given, according to tradition, by the Twelfth imam to the second of his mersengers: /"In regard to events/ (protlems) /which may rise up, the guided by those who transmit our traditions/ (badith) /, because they are my "proof"/ (holis) /for you, as I am the proof of God"/*. Another tradition reports this taying of the sixth imam: /"The wise men/ (ulemas) /are the heirs of the Frophets, because they possessed nothing and their heritage consists of the traditions which are collected and passed on

after them"/ (transl. p 07). Deverely straining the consectary on these traditions (which the ulemas have always used to justify their pretensions), the Ayatollan Khomeyni is demanding power for theologians as a class, because no one class is qualified for this task, and no political system (neither constitutional monarchy nor republic, trans. p 44) could equal the perfection of the principles of Islam when applied by those who know them well.

The other tendency is that of rejecting, at least as an end, designation of a class of theological wise men to lead the community, because Islam, they ray, is opposed to classes and divisions, and does not recognize a "clergy." The ideal is in noncoercion, (/"directed spontaneity,"/ in Abol-dasan Bani Sair's expression), or even that the community itself becomes its own "imam," that is, guides itself along the road to God (Shari'ati); the Ayatollah Taleghani speaks of councils /(shura)/ of Muslims, where mojtaheds would sit in the same rank as the others.

or one can see, in the three solutions outlined by Shiism for filling the power vacuum during the occultation, a sort of borrowed legitimacy is conferred on the efforts of men to govern themselves with justice.

The Social Classes of Islam

on examination of the complexities of the theory of power allows us to adjust regain ideas about doctrinal aspects of the Iranian revolution. One should also recall the pragmatism of many Iranian ulemas under the monarchy: satisfied, with a few reservations, with a regime which occasionally bestowed on them sustantial advantages, they saw in it a solid rampart against communism. So in 1953, the Ayatollah Kashani, frightened by the maneuvers of the Tudeh larty, made common cause with the shah and acquiesced in the overthrow of Mornaich by the CIA. And if, at the time of the "White Revolution" of the shah and Ayatollah Khomeyni's revolt in 1963, a large part of the ulemas vacillated in silent opposition, one still found, in the last years of the Iranian empire, religious dignitaries bowing and scraping before the king of kings. More numerous, however, were those who prudently eschewed all political involvement. This pragmatism is ultimately similar to the political authorities are granted a share of moral power if not any privileged rights.

Thus one can say that Sniism is neither more nor less political than Sunnism. If course, it opens the door to conflict and holds over all human power the Damocletian sword of a revolt in the name of the absent "sovereign," but it can also justify, by this same principle, a withdrawal in principle from adherence to any political system. The Shiite ulemas doubtless have more free iom and initiative in their judgments than their Sunni peers: they can also even become contestants for power and demand for themselves the delegated authority of the imam, when, as in Iran, the majority of the country is Shiite.

of the Panlavi dynasty's constant scoffing at their traditional and symbolic demants for power; but this reaction is not necessarily exportable to other comptries: in Iraq and Letanon, notably, the Smitte populations are sensitive to the waves of renewal of the Islamic world in general, and only respons to it as Smittes to the degree of their relative size in the country, to the degree that their destiny is tied to that of the mother community, whose capital is Gom; while that community, still caught up in Iran's Islamic revolution, which though still unstable is trying to gain prestige as a Pan-Islamic vanguard, is turned at least as much toward the Sunnis as Loward the Shlites.

Ehomeyni's theory of /velayate fagih/ is not an absolute novelty in Shiism: it is taken on ancient traditions and, most recently, is adopting the "program" of politics of 1950 of the /Fedaiyane Eslam/ (soldiers of Islam), a group of Muslim extremists similar to the Muslim Brotherhood of Egypt. beyond terrorism, the /Feddiyane Eslam/, whose leader today is the famous /"ayatollah of the firing squads"/, Khalkhali, espouse a hard, integrist ideology mixed with populism. It is that "Muslim integrism," in the nice expression of hikki Keddie, which hest characterizes Khomeyni's political thought: the unconditional critique of regimes whether monarchist or democratic, and, beyond that, the rejection of any ideology founded on the rights of man, that is, on the replacement of the divine will toward justice by an illusory demand for freedom.

"Freedom" is, in effect, for Khomeyni a synonym for depravity: the freedom under the old regime to debauch, drink alcohol, etc. This freedom is harmful, and the people prefer to it independence for themselves and Islam. Inux, when he speaks of women, the Ayatollah Khomeyni, without for all that for itly imposing the veil on recalcitrants, refuses to countenance libertarian or feminist demands which have no meaning for him. The new Iranian condition illustrates his policy toward women: article 21 guarantees the rights of women, and their equality with men is not disputed, understood however only in the context of policy on families. (One can see here more advanced positions than the traditional views of Ayatollah Shariatmadari, for example, who rejects completely the equality of the two sexes, espetially in divorce matters.)

The originality of the political thought of the Iranian "revolutionary guide" in to have systematized "Islamic government" to the point of making it the theoretical tase of a new regime, which can henceforth be contrasted not only with the capitalist democracies of the West but also and especially with communism. On this latter, Khomeyni apparently borrows the language of the class struggle when he distinguishes between the 'mosta'zafin,' the meek or "proletarians," and the 'mostakharin,' the haughty. The demonstrative rigor of Mar ist economic arguments is lacking, of course, but one finds in the work of the Ayatollah Talegnani (died in Jeptember 1979) and especially in that of 'col-Hazan bani Sadr, analyses more fully fleshed out with social and economic facts. According to these authors, the inspiration at the base

i laham, within which one looks for the definitive response to materialist ideologies and for the total liberation of man: social and economic justice is for them a value through which can be realized a society of oneness /(towhidi)/. One is tempted to translate: "classless society"....

One can see in this thought an antidote to communism, the rejection of rocial leveling by force; it is an ideology which uses the faith of the masses in Islam to try to suppress the contradictions of western style development.

is this example not tempting for other Islamic countries?

FOOTNOTES

- 1. /Shiites/ or /Chiites/ is equall acceptable.
- 2. See A. and A. Guerreau, "1'Irak, Development et Contradiction" (Iraq, Development and Contradiction), Sycamore edition, Paris, 1978, p 92.
- 7. Dero Nikki Keddie's numerous studies on the religious history of modern fram and, in particular, "Iran: From Religious Independence to Political Opposition," LE MONDE DIPLOMATIQUE, August 1977.
- h. dee H. Algar, "The oppositional Role of the Ulama in Twentieth Century Irun," in M. Keddie's "Scholars, Saints and Sufis," Berkeley-Los Angeles-London, 1972, p 244.
- 5. H. Naor, "Islam, Perspectives et Realities" (Islam, Perspectives and Facts), translation by H. Cres, Buchet-Chastel, Paris, 1975, pp 204-206.
- The treatise by the Ayarollah Borujerdi, /Towzih al-masa'el/ ("Explication of Problems,") was edited with certain modifications by Ayatollah Khomeyni, who is thus not the author of the text, contrary to what a recent French translation, scandalously abused, would lead one to believe: "Political. Philosophical, Social and Religious Principles of Ayatollah Khomeyni," translation by J.-M. Xaviere, Libres-Hallier Editions, Paris, 1979.
- The Fermian text, published from students' notes, dates from 1971, cf.: Ayatollan S. R. Khomeyni, "Toward an Islamic Government," translation by Rotobi and B. Simon, with the assistance of O. Bani-sadre, Fayolle Edition Paris, 1979. We slightly modified the translation.
- dited by Khomeyni, /ibid/, p 72. Cf.: A. Hairi, "Shiism and Constitutionalism in Iran," Leiden, 1977, p 59.

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OIL MINISTER EXPLAINS OIL PRODUCTION, PRICING POLICY

London AL-DUSTUR in Arabic 4-10 Feb 80 pp 16-19

[Interview with Iraqi Oil Minister Tayih 'Abd-al-Karim by 'Abda-lah Hammudah: "Iraqi Minister of Oil Tells AL-DUSTUR: 'We Are Using Oil as a Weapon in the Battle; We Support Raising the Price of Oil to Its Real Value, but We Oppose a Price Surge; We Reject Role of Middleman in World Oil Market and We Deal Only with National Organizations; We Were First To Proclaim Slogan of Arab Oil for Arabs and To Call for Use of Oil as Weapon in Battle; Dialogue Between Oil Producing and Oil Consuming Countries Must Take Place in International Framework That Includes Developing Countries'"]

[Text] The question that has been dominating world oil circles concerning Iraq's position needs an answer.

Iraq is one of the hard-liners in the Organization of Petroleum Exporting Countries (OPEC), and it is considered one of the hawks with regard to the matter of setting oil prices.

Observers, however, have been noticing some change in Iraq's oil policy. They are saying that ever since the OPEC Conference in Abu Dhabi in December 1978 a moderate character has begun to emerge in this policy. This moderation is tied to the fact that while some Arab oil producing countries are reducing their production, Iraq has increased its production by more than one third during the last 2 years. Some circles are pointing out that at present Iraq's production amounts to 3.8 million barrels per day.

I interviewed Mr Tayih 'Abd-al-Karim member of the Revolutionary Command Councel and Iraqi minister of oil so he can answer this question.

The interview was conducted in an atmosphere which suggested the importance of the role that Iraq is playing in the Arab OPEC Organization, (OAPEC), in the OPEC Organization and in the world oil market. There was a television communication device of the kind that brings to its user the latest developments in the world market at the touch of a few buttons. The minister had several telephones and communications devices to his left; these connected him with his assistants in the ministry, inside Iraq and outside Iraq. The interview began.

[Question] What are the most important features of the oil policy of the Iraqi Republic?

[Answer] What is meant by the oil policy is the general management of production and pricing. With regard to the marketing of oil, Iraq is considered the largest national marketing country in the world market since all the oil it exports is exported by the National Oil Company. Iraq ranks second after Saudi Arabia in the area of oil exports. Iraq, therefore, occupies an advanced position in its production policy and in its production and export averages.

Following the fortunate nationalization operations in 1972 Iraq acquired control of its natural resources. This meant that the production policy from the well to the market was a national policy stemming from the interests of Iraq and closely tied in the field of porduction and exports to Iraq's ideological view [of itself] as an Iraqi state that adopts the goals of the Arab Socialist Ba'th Party and looks upon the Arab homeland as its own vast homeland.

All the interests and the questions of destiny that are of concern to the Arab nation come into play in our production policy. Oil is considered an effective weapon, playing a role that influences the battle of destiny since it is the lifeblood of the industrial and the major countries that have assumed different positions vis a vis the Arab-Zionist struggle. Iraq was the first country to proclaim the slogan of "Arab oil for Arabs." It was the first [country] that called for using oil as a weapon in the pan-Arab battle.

With regard to production Iraq adopts objective standards in the production policy. These standards are subject to Iraq's need for oil returns to implement the extensive and ambitious development projects; they are subject to Iraq's obligations vis a vis its fraternal Arab countries; and they are subject to Iraq's commitment to its friends who support it or who sympathize with it on nationalist or destiny questions.

In addition to this the oil policy is tied to the condition of the world oil market. This is because we are members of OPEC and we do coordinate the pricing and production policy so as to strengthen the pricing framwork of the OPEC Organization and to ensure that it be maintained. In the past, however, production policy was subject to the needs of the oil market which was controlled by international oil monopolies. Those monopolies did not take into consideration the legitimate nationalist and pan-Arab interests of Iraq. Our pricing policy--or before I shift to our pricing policy--our production policy from Iraq's point of view is based on the fact that oil is a depletable resource. Ever since the beginning of the century oil has carried great weight in scientific and technical progress. Oil then is an excellent material or commodity, and it is a depletable commodity that must be preserved for the longest possible period so that a portion of this resource can be guaranteed to our future generations before it is depleted. This must be done so that oil can continue to play its major role in achieving scientific and technical progress as well as cultural progress for humanity in general. We support the reasonable use or production of oil; that is, not producing more than we reasonably need to finance development projects and also to meet national and

pan-Arab obligations. We also support the reasonable use of oil by those countries that consume it. Unfortunately, there is considerable dissipation and waste of this depletable, non-renewable resource in the industrial and consuming countries. Our motto in Iraq, as has been attributed to the president and the commander Saddam Husayn, is that one of the last two barrels of oil that will be produced and exported will be Iraqi. [This will occur] in the light of this slogan, of the reasonable use of oil, of a reasonable production policy and of the large reserves.

[Question] What is the volume of the reserves at present?

[Answer] I cannot determine that because the volume of the reserves [is represented by] changing figures. This is due to the fact that Iraq has not been explored. In the past, before nationalization major corporations concentrated on utilizing the large oil fields: the Kirkuk field in the North and the al-Zubayr and al-Basrah [fields] in the South. They ignored exploration and investments in the areas that were subject to concessions. This is because preparing a field for production requires that large sums of money be spent, whereas developing a large field would [enable them to] realize big profits quickly with the least costs. We are now in the stage of exploration and surveying, but I can say with pride that in 10 years Iraqi personnel have been able to double the [estimated] reserves and to realize a more stable reserve [figure] than that which was realized by the corporations in 50 years. The figure for the [oil] reserves is still rising.

Pricing Policies

[Question] What about the pricing policies?

[Answer] Of course, the pricing policy. When Iraq looks at oil as a depletable resource, as a singular resource or as an only source of income to the oil producing countries, it must preserve a minimum of the actual value of this strategic, depletable, non-renewable resource which represents the principal source of our national income. Our objective during the current stage is to maintain the price structure while taking into consideration the rates of inflation and the decline of the dollar when we make amendments to oil prices occasionally. The future and strategic view of oil prices must represent the actual value of this resource. This means that oil prices must be equal to the prices of alternative energy [sources]. In spite of the increase that has taken place in oil prices, oil still costs less than those alternatives that are extracted from other energy sources. This means, for example, that the cost of producing nuclear energy, coal, solar energy or energy from any other source [equal to that produced form a barrelful of oil] is now not less than 40 to 45 dollars. With regard to the least expensive energy substitute for oil, the cost of producing a barrel at a profitable thermal average is 40 to 45 dollars.

[Question] Do you mean coal?

[Answer] Yes, it may be coal. Meanwhile, the official price of oil is still much less than that of the alternative cost. Our immediate policy or our immediate position is to maintain the price structure and the uniformity of the price while taking into consideration amending prices to make up for inflation and for the decline of the dollar.

[Question] Does this mean that there is a trend to raise oil prices in the future until they reach the prices of these alternatives?

[Answer] As I said we must some day come to the point when the price of oil will be comparable to the prices of the other alternatives. But our major concern is to maintain oil prices and to protect them from erosion as a result of inflation and the decline of the dollar. We know of course that the annual rates of inflation are not less than 15 and 20 percent. The decline of the dollar represents a large rate of [the erosion of our oil revenues] also. This means that the annual rates of erosion of our oil returns are about 25 to 30 percent. We must maintain the price structure by making up for this erosion which results from inflation; that is, we must reconsider the price structure occasionally in the light of inflation rates and the decline of the dollar.

We are of course opposed to bringing about a major surge in prices.

[Question] May I ask you a question in this regard? The question is this: Iraq has traditionally been considered one of the hard-liners in the matter of prices, but since the OPEC meeting in Abu Dhabi in December 1978, some observers have detected a trend to assume more moderate positions. What do you think about this?

[Answer] As I said we are opposed to a major surge in prices. As we defend our interests and try to protect them, we do not ignore the interests of others or the interests of the world economy. Nor do we ignore any harm that may happen to the world economy as a result. When we call occasionally for oil price corrections to make up for part of the losses that result from inflation and the decline of the dollar, we do take into consideration the condition of the market and the world economy in general and [we also consider] the condition of the economy of the developing countries and of the industrial countries in particular. But the other side of the coin is the fact that the industrial countries, whose monopolistic corporations had victimized us by means of wasting and plundering [our resources] are still unfortunately not regarding our interests or taking them into consideration. [They do not look upon us] as developing countries or as producers from developing countries when they export to us their technologies and their manufactured goods at high prices and at escalating inflationary rates, of course. We are being accused at the present time--although this charge has been somewhat reduced--that Iraq is a hawkish leader or that it is radical on prices. We have never been radical, nor have we ever looked after our interests without taking into consideration the interests of others.

The propaganda campaigns against Iraq take place in the context of the attack on Iraq's foreign and domestic policy and on Iraq's firm position on the Arab-

Zionist struggle, on the development questions inside the ocuntry, on Iraq's support and its championing of national liberation movements in the world, on its relations with these national forces and liberation movements, or on the fact that Iraq has dealt a blow to imperialist interests in the area and not only in Iraq. In the light of this course and of the libertarian position of Iraq's policy, it is not strange for hostile propaganda agencies that have ties to imperialism and Zionism to lead this attack against Iraq. In Iraq itself these dark forces are trying to weave conspiracies to enclose the nationalist and socialist regime for the purpose of preventing [these principles from spreading out and for the purpose of preventing the formation of a model experiemnt in this area. Such an experiment can be a source of radiation and attraction for the Arab area and for our Arab nation by following an oil interests nationalization policy and by striking at imperialist interests. These dark forces cannot forget Iraq's liberationist positions and the fact the Iraq struck at these interests without trying all means to get the best of them. This is the reason for the propaganda campaign.

Iraq's pricing or production policy has not changed since the outbreak of the revolution. Iraq's view on how these resources can be controlled by their owners has also not changed. Iraq did and still does regard nationalization to be the only way [to realize this]. There is no other way but nationalization to achieve control over oil resources or to achieve national sovereignty. There is no other way but nationalization; not partnership and not taking Iraq's course is firm and this is the case in all its domestic and foreign policies and activities. But there may be a change now in the policies of the media vis a vis Iraq. This matter is up to others, [who can] reduce [the intensity of] the campaign. When Iraq asks for its full rights or when any other country asks that oil prices represent the minimum actual value of oil, imperialist and Zionist forces are displeased. These forces are trying to blame the oil exporting countries and Iraq--the countries they call radical -- for inflation and for the economic problems of the world. But it is the industrial countries that are to blame for the economic problems of the world and for the disturbance in the international monetary system.

011 and the Iraqi Economy

[Question] How large is the oil sector in relation to the Iraqi economy? In other words what share does the oil sector contribute to Iraq's total national inco e, and what is the ratio of oil exports to Iraq's total exports?

[Answer] Oil returns are most certainly still preponderant in Iraq's exports. The national revenues from Iraqi exports are also more dominant in this area. It's been 11 years since the revolution and 8 years since nationalization when we took possession of these resources. The investment of oil returns in agricultural-industrial projects and the returns of these projects will not come about quickly so as to make agricultural sector and from the other economic sectors will be consistent with the industrial plans and the development plans. We hope that in 5 years or during the current decade Iraqi oil exports will not exceed 50 percent of total exports and that the rest be form other sources.

[Question] Figures indicate that oil production in fraq is 3.8 billion barrels per day. What are the reasons for this high production [figure]? Are there special agreements to supply the developing countries with their oil needs? Or is the purpose of the high production to meet the needs of the world market at the present time? We do know that this may hurt the process of raising oil prices by creating a surplus in the world market.

[Answer] Iraq has been and is still being called upon to regulate production or to balance production at any level so as to achieve an actual balance between supply and demand. The OPEC Conference is still reviewing Iraqi papers on this matter. When Iraq increased its production, its purpose was not to create a surplus, but rather the opposite. Iraq has been faithful to its obligations. When Iraq increased its production to achieve a minimal [balance between supply and demand] in the light of available capabilities, it did so to participate in the establishment of a minimal [supply] for the actual market, and especially with regard to the poor, developing countries who have been deprived of their share of OPEC oil in the light of the sharp increase in the world market and the speculations in the black market.

Last year, for example, we had about 50 contracts with nationalist corporations with whom we have good, friendly relations. This year we've added 20 new contracts, and most of these contracts, if not all of them, are from developing countries. [The purpose of these contracts] is to ensure the oil and energy needs of these countries after their shares went to countries that offer higher prices. If oil prices in the black market have reached 40 to 50 dollars, the developing countries cannot compete, and the allocations that these major corporations used to deliver to these countries are now being sold to whomever can pay a higher price. Iraq is now dealing directly [with the buyers], and it stays away from middlemen so that its oil could reach the markets of the poor developing countries. This means staying away from major corporations to ensure the direct delivery of the quantities of oil sold to these countries.

[Question] Doesn't the current high rate of production hurt [us]?

[Answer] We are now increasing our porduction to meet our obligations and also to meet the increase in our consumption in a major development movement. We need more revenues, but Iraq still has the capacity to produce oil equal to 4 million barrels per day.

The National Organizations

[Question] Dealing with national oil organizations in other countries keeps middlemen away as you mentioned. But one of the objectives of the visit made by the British minister of oil was to express his dissatisfaction with this trend even though he was prepared to deal with it as an exisitng fact. What is your comment on this trend?

[Answer] We listen to the points of view of others, but we are not guided by nor are we affected by what others say. Instead, we try to influence others and to persuade them that the middleman is a parasitic factor benefiting from the select and from the buyer, manipulating the oil market and monopolizing the reulization of large profits. The British minister's opinion or any other opinion does not influence us. We believe that direct dealings -government with government or national companies with national companies -constitute the i and was of ensuring market stability and of guaranteeing the flow of oil in In actual quantities that represent the actual needs of the oil market. dealings guarantee that oil reaches the poor developing countries of which we are a part. This is our point of view, and we captess it on every occasion. We have expressed our point of view to Britain and before that to representatives of corporations whom I had met and also to other countries which believe that the role of the monopolistic corporations as middlemen is still necessary. we, hewever, think that the middleman must be completely taken out of the oil market as a carrier or as an agent trying to expand in the refining industry. The Industrialization and the marketing of oil must be left to governmental institutions.

The World Dialogue

Itsestics. What is your opinion of a dialogue between the producing countries and the assuming countries that takes place in order to come to an understanding about the coordination of oil policies in theorems of supply and demand?

[Answer] First of all, oil is not the basic problem that is confronting the world. We refuse to have a dialogue with the industrial countries as producers [versus] consumers because as developing countries, we have many problems that correspond with the problems, interests and aspirations of other developing countries. We are faced with urgent questions, and the industrial countries and the major consumers must take part in dealing with these questions. We accept [the principle of] having the dialogue take place under the umbrella of developing countries and industrial countries, but not under that of producers of consumers.

[Quest [on] Do you accept a dialogue on bilateral bases?

[Answer] We are saying [a dialogue] under an umbrelia, and this means a world-wide diriogue such as that which took place in Paris. This is because developing analysis have the same problems. We want to achieve the development and the transfer of technology just like Pakistan, which is not an oil, developing country of just like the countries of Africa and Latin America. We want to tie it prices to the prices of other primary commodities and materials in the industrial countries. We also want to protect the primary materials of the developing countries from plunder by the multinational corporations. We also want the industrial countries to match the financial aid provided by the oil producing countries. There are many problems. We want the markets of the industrial countries to be open to the industrialized and the semi-industrialized products not only in the oil producing countries, but also in all the developing countries. We and the developing countries are in one camp. Our interests are their interests; our problems are their problems; and our objectives are their interests; our problems are their problems.

flee ires Market

[Quastion] Is the free market, or what you call the black market, a factor that provokes the oil producing countries to raise oil prices?

[Answer] The black market does in fact provoke and burt the oil producing countries. When a barrel of cil is sold on the world market for 50 or 40 dollars and when a lit of gasoline costs the consumer in the industrial countries half a diner, it is the oil producing countries that are damned. This is because the European consumer does not understand that a large percentage of the profits goes to the major corporations and the industrial countries. The sajor portion of the return from a barrel [or oil] goes to the major corporations that are owned by the industrial countries. If we assumed that the return from a barrel [of oil] was 50 dollars when the consumer pays a certain sum for a liter of gasoline, what is the current price of a liter of gasoline in Britain?

[Question] Thirty pennies, that is, about 200 Iraqi fils or 75 U.S. cents.

[Answer] How can this be compared with current oil prices since the price of a barrel is 27 dollars and the value of a liter does not exceed 11 or 12 cents? This means that the ultimate maximum return per barrel goes to the oil companies or to the industrial countries through taxes or price speculations. At the same time a state of anxiety and instability is created in the market. It is the corporations that created the black market, and it is the corporations that encouraged the oil countries to sell in the black market. When the oil producing countries saw that the corporations were monopolizing their oil, storing large quantities of it and selling it for double the official price, that is, at fantastic prices, they were encouraged to sell [their oil] in this manner and to realize a share of these profits. It is the middleman who is to be damned and not the producing countries.

The Refining Industry

iQuestion] The statements of the Iraqi Ministry of Oil state that you are moving towards increasing the national refining capacity in Iraq to 50 percent of Iraqi oil production. Why are you moving in this direction, and when can Iraq refine 50 percent of its oil production on Iraqi territory?

[Answer] We did not in fact determine the 50 percent rate. But within our program, the larger ratio and the crude oil that is refined [in Iraq] must be in the form of derivatives or refined oil for many reasons. The two most important reasons are, [first], that the return on a barrel of oil products is greater than the return on a barrel of crude oil. The more important reason in my opinion is the fact that the introduction of a refining industry will create an advanced, national, industrial base in the oil exporting countries. It is in this way that we can prepare a national staff that can grasp an advanced technology along this course for the purpose of grasping the more complicated technology of the petro-chemicals industry.

one of the most important reasons then that makes us increase the refining capacity from rates that meet the needs of local consumption to rates [that enable us to meet] export rates is to achieve a surplus return and to prepare a national staff that can comprehend the technology. Our purpose is to shift Iraq from being a society that is called a developing or a backward society and to turn it into an advanced, industrial country.

The Currency Basket

[Question] Why do you not request that payment for Iraqi oil be made in Iraqi dinars so that you can fight the effects of the decline of the dollar or the decrease in its value? This may help raise the value of the Iraqi dinar in world markets in a more significant way.

[Answer] Iraq is not the only oil producer in the world market so that it can price its oil in Iraqi dinars. Instead of this method, there are other methods on which the oil exporting countries can agree.

[Question] What are the most recent developments in studies along this line that are currently taking place in OPEC?

[Answer] There have been studies, but unfortunately, all these alternatives were studied against the current accounting unit. All the alternatives are better than the current accounting unit, but the matter is still under further study in order to persuade the others and to come out with a unified decision. Time is a factor, and we, of course, support any change because the dollar is a fluctuating currency. There is a deliberate policy of confirming the dollar, and the United States whose currency is the dollar is the beneficiary of this policy. It can thus import inexpensive oil and export its goods at competitive prices. It can add all the devaluations of the dollar to the prices. It can add all the devaluations of the dollar to the goods it exports and also to the cost of transferring technology.

Price Guidance

[Question] Some parties are saying that there is a trend for moderation in your oil policies, and I have already referred to that. You have already replied that this was a trend to alleviate the campaign against Iraq. Can this be explained by the fact that after the failure of the price guidance method to determine oil prices, the countries that produce less oil—other than Saudi Arabia—like Iraq and others, became capable of playing a direct role in determining prices? It was therefore no longer necessary to assume a hard—line posture in the tactical manner that they had pursued previously. What do you think about this [analysis]?

[Answer] Naturally, before a [certain] period it was the largest producer that influenced the market and determined the pricing policy. We did, however, break this principle at the al-Dawhah meeting 3 years ago when the majority stuck together, and only two countries were left out. We were then able to dictate the market price, but this happens when the market is a sellers'

market, that is, when there is a shortage in the market. But when the market is balanced and it is not a buyers' market (when there is no shortage), [cil producers] can determine their sales prices and the quantities they will supply in the market. But now, since the recent events in Iran and after we've understood the process of storing cil for strategic reasons, for purposes of speculation or for other purposes, the major producing countries no longer carry any weight or have any influence in determining pricing policy. This is because the price of any commodity is the product of supply and demand. When supply is tight and demand increases, demand becomes considerable and the cil producing countries can set their prices. The truth is that one of the reasons that alleviated the campaign [against us] is the fact that people more radical than we are [thought to be] emerged [on the scene]. They may in fact be radicals. There are those who are asking that the price of cil be 35 dollars.

(Question) Like whom, for example?

[Answer] We will not identify those; you know their names. But we are opposed to a surge in prices, and this has been our position from the beginning. We are saying that our policy supports a gradual increase that takes into consideration the rates of inflation and the decline of the dollar. We support a fixed price increase every season or every 6 months provided that any increase in the rate of inflation or any devaluation of the dollar be covered by the price increases. The consumer must also be given an opportunity to know about the price increases after a period of about 3 months so he can adjust his economy and absorb this increase. This is preferable to surprising the consumer with major surges that upset his economy. Countries have emerged on the scene calling for expensive prices. Although their requests are justified, compared with the economic circumstances, we are not in agreement with them because their requests represent a high surge in prices that would affect consumers, especially in developing countries.

[Question] When do you expect the price of a barrel of oil to reach its real worth in the world market? In 1 year? In 6 months?

[Answer] It is difficult to predict when the price of oil will represent its actual value in this manner. But if you were to ask me if oil supplies by the end of the eighties will supply the world's needs, [I would say] that during this decade the problem is one of providing the minimum [supply of] oil in the world market. The problem will not be one of prices as much as it will be one of providing quantities to meet the needs of the demand in the world oil market. It will be a period of frightful supply shortage, especially if intemperate, wasteful consumption continues and if the industrial world cannot find oil substitutes for energy.

The Obligation of the Producing Countries

[Question] The oil producing countries are limited in two ways: first, their consumption of oil is increasing rapidly; and, second, the prices of oil products in these countries are less than they are in the world market. Even OPEC and the Arab OPEC organization are calling for raising these prices and

for reducing consumption. Is there a trend towards developing alternative sources of energy in Iraq?

[Answer] Although we are the second oil producing country with large reserves, we do consider the wasteful use of oil as energy to be unjustified. Oil is an alternative material, a large portion of whose consumption must be channeled into the petrochemicals industry whose products amount to approximately 70,000 manufactured substances. Now and in the future oil can be an alternative for many of the minerals and primary materials that will be depleted. Although we are saying that one of the last two barrels of oil that will be produced will be Iraqi, this does not preclude us from legislating, from programming or from balancing our fuel consumption among the alternative sources of energy. We now have a committee in the ministry that is looking into parallels between alternative energy (sources) for 20 years. When one says that Iraq's (energy) consumption will be 80 million tons, 90 million tons or 100 million tons, this does not mean that we will burn 100 million tons of fuel. We do have to create a balance so that a measure of the oil is used as fuel and a larger measure would go to the accompanying gas, to nuclear power, water sources, electrical power or to solar energy whose share will not be negligible by the end of this century. As we increase production and expand production capacity, we build nuclear establishments so that we can utilize nuclear energy, and we build dams so we can utilize waterfalls to generate electrical power. We are pursuing the technology that would enable us to realize the practical utilization of solar energy. We are encouraging all these trends, and we are conducting research in them.

The Arab Oil Training Institute

[Question] A final question: Dr 'Ali 'Atiqah is in Baghdad at present, and you met him yesterday. What are the most important subjects that you discussed with him? Were there special matters you discussed?

[Answer] As we know, the Arab OPEC Organizatio has nothing to do with the pricing policy. We were discussing subjects of interest to the Arab OPEC Organiza on, and we talked about how we can stimulate joint Arab economic action. During this visit we explored the subject of establishing an academic institute, the Arab Oil Training Institute, which is to be located in Iraq. We prepared all the requirements for the institute so that it can promptly assume its role in accepting students from the [fraternal] countries so that trained oil staff and crews can be prepared to lead the process of building Arab oil projects in the territories of these countries or in joint projects.

[Question] Will the function of this institute be a technical one or an economic and a legal one or something else?

[Answer] Its function will be purely technical, and that is to graduate technical training staff that can play a role in technical organizations by preparing mid-level personnel.

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RECORD GROWTH FIGURES OF NEW BUDGET USHER IN NEW AGE

London AL-DUSTUR in Arabic 28 Jan-3 Feb 80 pp 20-21

[Interview with Taha Yasin Ramadan by 'Abd-al-Wahab al-Qaysi: "Taha Yasin Ramadan, Member of the Revolution Command Council and First Deputy Prime Minister Tells AL-DUSTUR, 'Iraq Shifted from Realm of Developing Countries to New Reality; Implementation of al-Rashid University Project To Begin in 1980; The New Budget Figure Is 3.65 Billion Dinars; This Realizes a 14 Percent Growth Over 1979 Appropriations; 'Strategic Road 1,200 Kilometers Long To Tie Arabian Gulf to Syria and Jordan Through Iraq"]

[Text] The 1980 budget has been announced in Baghdad. It is [Iraq's] largest budget yet with appropriations of approximately 3.65 billion Iraqi dinars allocated. Economic observers believe that the announced 1980 budget will move Iraq from the realm of developing countries and into a new position.

AL-DUSTUR met with his excellency the member of the Revolutionary Command Council, First Deputy Prime Minister Mr Taha Yasin Ramadan and conducted with him this interview.

[Question] Your Excellency, First Deputy Prime Minister, what are the most prominent characteristics of the new budget with regard to the magnitude of the appropriations it allocated?

[Answer] The 1980 budget has numerous and serious characteristics. It is the first budget of its kind with regard to the volume of funds allocated or with regard to the mechanical manner with which it was prepared. It was discussed in an expanded meeting that was chaired by His Excellency President Saddam Husayn, chairman of the Revolutionary Command Council and president of the republic. This budget was discussed by the professional and the management staff in the state since it comprised principles and instructions that were formulated with the direct knowledge of the agencies. The obstacles that were faced by departments were studied so as to create flexibility without restrictions of red tape activities in the serious action that is taken. These red tape activities had contributed significantly to the decline of the standard of implementation and to the elimination of many initiatives and energies that were being utilized. In order to have the budget perform its function if it

were channeled in a positive manner, the budget figure was fixed at 3.65 billion dinars. This sum would achieve a growth rate estimated at 14 percent over 1979 appropriations. It is known that 1979 appropriations were high and dealt with many of the measures [proposed] by the leadership of the revolution and of the party. These measures contributed to the 1979 salary and wage increases in all sectors. Nevertheless, one finds that the 1980 budget has scored a new leap (14 percent) over internationally known percentages. It is considered to be double the percentage of growth worldwide.

This is based on instructions from President Saddam Husayn who affirmed that the growth rates of some sectors in the budget must not constitute a part of the growth rates of the budget eacy year. This means that [some sectors] be given a special and a distinctive growth rate to obviate bottlenecks and to make those sectors grow at rates that are better than those of the other sectors so we can increase the rates of difference in the gorwth of other sectors. After differences are removed, the sectors of health, education, culture, information and youth will have priority, and the gorwth of these sectors will be outstanding. Therefore, we find that the budget has scored a growth rate of 53 percent and not 14 percent. The growth rate in the education sector is 69 percent even though the education -ector did score high rates of growth last year.

Nevertheless, we do find that the current rates of growth are double the general rates of grwoth of the budget as a whole; that the growth rates for the culture and information sectors are 25 percent; that the growth rates for the youth sector are 100 percent; and that the new growth formulas for the sectors are due to the development that is taking place in those sectors. The other distinctive feature of the budget which emerged in the past 2 years is that the development and the modernization of the state's agencies. This feature used to be treated as a luzury in the budget. The budget authorized funds to purchase modern equipment for the development of business in state agnecies. This subject was not considered important. But the 1980 budget elevated this view by appropriating 24 million dinars for this purpose. This is more than 10 times what was appropriated [for this purpose] in any country. The budget also made special allocations for maintenance. This part of the budget had not even been considered.

The 1980 budget is tied to the fact that it comprised the broadest mandates for implementation that may be given to officials. This is an unusual step and a new, qualitative shift.

There is no similarity whatsoever between the instructions that were issued along with the budget and those that were issued last year. This fact calls upon all workers to deal with those instructions in the manner they deserve. We consider 1980 to be the year of flexibility in the mandates for the different levels of management, whether in the area of the budget or in the investment program.

[Question] In the light of your statement, what is the volume of the 1980 investment program compared with that of 1979, and what are the most important characteristics of this program?

(Answer) The investment program came out with allocations of 5.24 billion dinars and with a 33 percent increase over the amended appropriations for 1979. This is estimated to be three times the regular rates of growth in the administrative structures of similar countries.

There are also some sectors that had outstanding rates of growth such as the transportation sector which is encountering some tightening in the area of spending. The rates of growth in spending in the transportation sector have been estimated at 52 percent. The sector of buildings and services, and we mean hospitals, schools, state agencies, housing, water and sewage are recording a growth rate of 75 percent. This indicates a great deal. Exceptional efforts are being made to connect electricity to all Iraqi villages in the Rural Electrification Project. Exceptional efforts are being made in the area of sewage. The sector of education and scientific research has recorded a 34 percent rate of growth.

The industrial sector recorded a growth rate of 14 percent. This is considered a large growth rate because the volume of investment in the industrial sector is large. The growth rate [in that sector] could have been 10 percent less [than what it is], but the subject of bottlenecks, and especially in construction materials, [came onto the industrial scene]. The year 1980 will bring about the operation of the new cement plants which have a production capacity of 5 million tons. The investment program has endorsed development and modernization in the industrial sector, the pursuit of modern technology and the carrying out of strategic projects.

Conspicuous Spending

(Question) Has the new budget dealt with the problem of raising the rates of implementation and reducing red tape for the purpose of rendering the best services to citizens?

[Answer] Every execution of the instructions and the decisions does not constitute a solution to one of the phenomena that are considered unhealthy. Part of these phenomena constitutes a natural problem for many employees in the state sector. If legislation continues with instruction and awareness, its activity and its achievement will remain narrow. Most certainly laws perform their functions by remedying the negative phenomena that exist in state agencies.

Scientifically speaking, the instructions that were issued in the budget deal with this phenomenon by giving due importance to technicians, to modern equipment, to staff and accounting agency purges, to the modernization of the administrative staff, and to the modernization of the administrative side when that becomes extremely necessary. This is not sufficient since [these instructions] ask that the responsible ministers and deputy ministers shun this trend by eliminating existing hidden unemployment. We are suffering from an employment crisis and from an actual need for employees in all fields. However, we find that employees are not adequately utilized in other fields, and this is not acceptable. There are instructions that impose restrictions on some aspects [of employment] and give flexibility in others where there are bottlenecks.

Our hope is great that employees do their work and play their real role in remedying this phenomenon.

Some measures will be taken by the Council of Ministers to study the bases for qualifying workers in state agencies and for determining the method of their accountability and their compensation. The budget took these matters into consideration. Earnestness and care are needed to treat these negative phenomena.

Wage and Productivity

[Question] Are there specific remedies to tie wages to productivity so that hidden unemployment which was identified by President Saddam Husayn in his statements and speeches can be remedied?

[Answer] As principles in the budget and in the program and as a program for action, a preliminary working paper can be adopted. The president formed a committee chaired by the first deputy prime minister to carry out all the amendments and to hold broad debates for the broadest base. This is because the subject of tying wages to productivity is a serious and a sensitive subject and must undergo some measure of discussion. There is a working paper that has been prepared for this purpose. This paper must conclude with a comprehensive study and with clear principles that are to be adopted throughout the country.

[Question] How did the new 1980 budget view the citizen with regard to his being "an important tool" for development in socialist planning?

[Answer] If one looks at the budget, one would find that the citizen is the objective in the consolidation of all the requirements. [The objective] is to make the citizen a model for effectiveness and innovation in building our society. Therefore, one finds that the growth rate in the youth sector is outstanding; that the growth rate in the educational sector is exceptional; and that the growth rate in the services sector is also playing its full part.

For the first itme in the program there is the stipulation that water and electricity have priority in investment. Other services are complementary. Even culture and information have been given importance suitable to man himself. Interest in children, in kidergartens, boarding sections and school buildings has been given priority in the budget.

The Budget and Red Tape

[Question] Has the new budget dealt with the problem of raising implementation rates and reducing red tape for the purpose of offering the best services to citizens?

[Answer] This is a distinctive and a basic matter in the budget and in the program. There is no longer anything to hinder the outcome of the authorities that were granted in the budget and in the program. I can say that the authorities and the instructions no longer constitute any obstacle in the area of implementation. The authority that has been given to a division chairman would not have been given to a minister of state 2 years ago.

In the investment program, for example, a minister has the authority to endorse any one of the determined projects even if the cost of that project were 1 billion dinars [and] If the appropriations that were allocated exceeded the stated figure by [a sum] ranging from 1 dinar to 40 million dinars. This is something new in the mandates. A minister can also endorse even a 10 percent determined increase, and this too is something exceptional. According to President Saddam Husayn, 1980 is a vague year, and the mandates in this year's budget are vague so that the erroneous and the proper [in that budget] may be The figure, 6.24 billion dinars represents an abnormal leap. the 1980 implementation rate is at least 100 percent double that of 1979, the implementation rate [for 1980] will be low and will create obstacles and problems. It is true that the increase in the investment program is almost 34 percent, but this investment must achieve a volume of business in 1980 that is twice that of 1979, and it must implement the business 100 percent. Business [in 1980] must be double that of 1979 so that the required [objectives] can be achfeved.

[Question] What are the projects that we can call strategic projects in 1980?

[Answer] The 1980 program represents the pinnacle of the programs of the 1975-1980 Plan. Major projects have been adopted in Iraq to build a major industiral, agricultural, educational and cultural development base. The 1975-1980 Plan specifically includes the pursuit of a number of monumental strategic projects. In 1980 we will work more earnestly to complete these projects among which are the 'Ukashat Phosphates Project, the petrochemicals project, the iron and steel project and the chemical fertilizers project.

As far as 1980 is concerned, it has been considered the extraordinary year for transportation projects. The highway that ties the Arabian Gulf to Syria and Jordan through Iraq will be implemented. This road will be 1,200 kilometers long, and its cost is estimated to be 1.2 billion dinars. This is the most modern road with regard to its studies and to its proposed method of operation. This project needed at least 10 years for implementation. Plans for its completion were drawn up in 6 years instead of the determined 10 to 12 years. This road will solve the crisis of strategic transportation. After the rest of the piers at the ports are completed, their capacity at the port of al-Basrah will be 20 million tons. There was a crisis in the ports because of the large volume of development and import activity.

There are other strategic projects that have been adopted for implementation. The first project is that of al-Rashid University; it will accommodate 12,000 male and female students on a campus where all the requirements for [accommodating] this [number of students] are available. President Saddam Husayn is giving special attention to this university which will be established to solve the problems of Arab students who desire to have a university education in Iraq. Special privileges will be offered to Arabs at this university. Among the strategic projects is that of Metro Baghdad. The project has entered into the stage of earnestness, and the beginning of implementation will be seen. Twelve hospitals will be built, and they will be among the largest hospitals.

They will be equipped in a manner that will provide all the requirements of modern medicine and the most recent pharmaceutical technology.

The 1980 Plan which will move Iraq from the realm of developing countires and into a new realm is considered an actual battle to build a new reality for a new Iraq.

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COMMENTS ON ISRAELI-EGYPTIAN PEACE AGREEMENT

Tel Aviv HATZOFEH in Hebrew 28 Jan 80 p 2

[Editorial: "The Beginning of Normalization"]

[Text] With the completion of the current stage of IDF (Israeli Defense Forces) withdrawal from the Sinai, the stage of normalization between the two countries begins. The beginning of this stage means exchange of tourists, free commerce, cultural and air flight relationships as accepted among countries which maintain normal relations between themselves. From the signing of the Camp David agreements to the present, Israel has paid in territories, whereas now Egypt must pay in normalization.

Today the first diplomatic mission will leave for Cairo to open the Israeli Embassy. This is a form of trail blazing. On Friday, President Sadat telephoned Prime Minister Menachem Begin and promised him that he would accelerate normalization between the two countries. While it is not possible to fake withdrawal from territories when it is required that an area be cleared in accordance with the agreement, it is definitely possible to prolong the processes of normalization and even to place a laughable character upon them, such as by sending an envoy to Tel Aviv with an extremely limited or symbolic staff, or other acts of this nature which would signal that normalization on the part of Egypt is tailored for the sole purpose of withdrawal of the IDF.

President Sadat has taken the issue of normalization out of the hands of acting Egyptian Foreign Minister Butrus [Rahli], who is attempting to slow down the process, and has transferred it to the hands of Egyptian Minister of Defense General 'Ali. It is understood that Israel must appoint Defense Minister Ezer Weizman as his counterpart. This should not be considered a slight to the status of the foreign minister, because it is merely a temporary matter. Furthermore a ministerial committee will function at the same time. We in Israel hope that normalization will go forward as planned, just as the IDF completed its withdrawals as planned, and in accordance with the language of the agreement. Egypt is concerned about damage from the Arab nations, which are organizing public protests. But it is to be assumed that President Sadat took account of this situation which will develop with the establishment of normalization. Thus, Israel should insist that normalization be implemented properly, without conceding a single issue associated with this process.

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CALL FOR SADAT TO ACCELERATE PEACE PROCESS

Jerusalem HAMODI'A in Hebrew 29 Jan 80 p 2

[Editorial: "Sadat Defends the Peace"]

[Text] President Sadat in an address yesterday expressed satisfaction with Israel's implementation of all that the peace agreement required of it. Several days before that, he had expressed himself as gratified in his announcement regarding the acceleration of various normalization procedures. Sadat is now taking the position of a defender of the peace agreement, in the pan-Arab front, in his struggle against his adversaries who attack his policy and his peace agreement with Israel.

An increase in the attacks by Sadat's adversaries was to be foreseen these days, for it was clear that when the embassies of Israel and Egypt were opened, each in the country of its neighbor, the peace process would reach a climax, not only in the symbolic sense of converting the diplomatic relations between the two countries to a fact, but also in the sense of the internal strife within the Arab camp. Perhaps the most frustrating aspect from the adversaries' viewpoint, is to see an Egyptian flag raised permanently in Israel. Even more frustrating is to see an Israeli flag raised permanently in Cairo, the capital of Egypt.

And indeed, Sadat's adversaries are not "disappointing" us; they continue to carry on a policy of isolation against Egypt and denounce it for "treachery" for the very fact that it dared come forth for peace with Israel. Sadat, in his address of yesterday, came out openly and in articularly sharp language against his attackers, when he labeled Hussein as "murderer of the Palestinians." Nor did he spare sharp words against Khalid, the Saudi king. These two were not coincidentally selected for Sadat's critical attack, for until the peace process with Israel, these had been considered his supporters and friends and they drew back from him when he undertook the most courageous step of all.

Sadat presently feels sufficiently self-confident, for he will not be able to demonstrate concrete accomplishments to his detractors. What he failed to attain during years of war, he has attained in two years of a peace process.

With two thirds of the area of Sinai are already in Egyptian hands, the essence of the peace with Israel is not a "plague" to Egypt, but rather a healthy process which carries with it many advantages to the Egyptian nation which is immersed in a particularly severe economic and social labyrinth.

Sadat also decided during that address to announce additional steps for restricting the Soviet presence in Egypt. He is reducing the number of diplomats in Cairo and the number of experts at the Aswan Dam. This is an additional expression of the firming of relations between him and the United States, while the latter is doing all it can to fill the void created in the wake of his turning his back upon Moscow.

Sadat has no complaint against Israel, which has done all that she was required to do until now within the framework of the peace agreement. Israel on its part, anticipates that peace will indeed be an existing fact, and will not be flawed or eroded even when, with the passage of time, obstacles will mount in the course of the negotiations regarding autonomy. Hopefully, it will be so, for Egypt is not only refraining from delaying the processes of normalization in the relations between these countries, as stated, but has even decided to accelerate them.

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LEVELLAN MODEL FOR ALTONOMY TALKS ASSESSED

Tel Acio HATZOFIH in Hebrew 30 Jan 80 p 2

... Alterial: "The Model and the Substance"!

Test; Juris, the discussions of the Israeli and Egyptian work groups restered; it became clear that there is a very wide gap between the positions of the two sides on the issue of the autonomy. The models suggested by the two sides for the structure of the autonomy and its institutions differ not only in details but also in substance. Egypt offers a model that is nothing but a correstone for the creation of a Palestinian state, while Israel thieses to such a state, and has said so repreatedly. In addition, in taking this position, the Egyptians go far beyond the Camp David accords which, vague as they were, fixed guidelines for the establishment of the autonomy in Judea and Jamaria and the Gaza Strip.

testerday, an his arrival in Israel, the special American envoy to the autonomy talks, Scil Linowitz. expressed optimism regarding the negotiations. When he was in Cairc he discussed with President Sadat and his ministers "new ideas" to them the freeze in the nectiations. As reported, he would raise these ideas in the plentry session of the autonomy talks which are to take place in Israel tomotrow.

A lint at the what Linewitz's ideas are all about, can be found in what he call in call that "something attractive" has to be offered to the Palestinians to make their join the negotiations. Yesterday, after talking to the Egyptian of the minister, the American envoy said that he expects a quicker pace in the interior "because for the first time we are dealing with issues of substance."

11. It seems that precisely because the present discussions concentrate on the heart of the problem, where the positions are completely different, we need the patience and settle the differences step by step.

lesteral in the session of the work groups, the head of the Egyptian delegation and that the for is open for negotiations, with the Egyptian model put in front of the Israeli model. That involves some change from the previous Egyptian is sittent which entirely rejected the Israeli model. The discussion of the two models in the ministerial level would be difficult, since there are different and the substance. The head of the israeli work group half Egyarsky

will that when he said that the Tgyptian proposal moves the negotiations backwards to the discussion of principles and ideologies, and sets us further trum the autonomy agreements from the practical point of view. With this proposal, the Tgyptians went far beyond the guidelines set for the work groups.

It turns out, that in the Egyptian model there are clear deviations from the Camp David agreements. For example, these agreements speak about self-government in Judea and Sameria and Gaza, while the Egyptian model speaks about a structure with 3 branches: administrative, judicial, and legislative. In the agreements, it was said that Israel would be responsible for security in the territories, while in the Egyptian proposal it is said the the Israeli Army could move in the territories only with the approval of the autonomous government. In the Egyptian proposal, there is also an attempt to fix the stages after 5 years of autonomy and make a time-table for them. Israel cannot accept these parts of the Egyptian model or the parts which call the settlements illegal and want to revoke Jerusalem's "annexation" to Israel.

The different positions of Egypt and Israel were clarified in the joint work groups on the autonomy, and now the negot ations go into discussions on the ministerial level.

the models for the autonomy presented by Israel and Egypt are completely different and long discussions would be needed to gradually overcome the obstacles. The basis for the discussion on the autonomy has to be the Camp David agreement. In the Egyptian model, there are clear deviations from this agreement, and it involves the danger of serving as a basis for the establishment of a Palestinian state. Therefore, Israel could never agree to it.

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REJICTION OF EGYPTIAN AUTONOMY PLAN URGED

Jerusalem HAMODI'A in Hebrew 30 Jan 80 p 2

[Iditarial: "An Autonomy and not a 'Palestinian State'"]

[Fext] We can interpret the "Egyptian Model" to the autonomy talks, as presented at the meeting of the two delegations yesterday, in a "lenient" way, saying that it serves the Egyptians as a "counter move" to the "Israeli Model. The latter, from the Egyptian point of view, is an "Israeli maximum" or a "lirst move" in the tiresome negotiations expected on the autonomy.

The tatical moves are common in negotiations. No side is ready and willing to use as a starting point the final compromise it would be willing to accept. The one who gives up from the beginning would give up even more later. There was a lot of criticism in our country that out of the eagerness, justified and inderstandable as it was, for peace, we quickly gave up on some vital interests in the early stages of the negotiations, and now we don't want to repeat this mistake. This rule is known by the Egyptians who remembered to uphold it in the earlier stages.

The question whether Israel could have achieved the same peace agreement with Igypt with less concessions is a question which only history can decide. It certainly cannot be decided by inter-party quarrels of the kind we see developing in the Labor party, where certain circles are now wondering whether they did right when they voted in the Knesset for the "Camp David" agreement, and agreed to tie its approval with the removal of Israeli settlements from the Sinal. As said, only history can judge that, and we doubt whether it could be proved that things could have happened differently. When peace is achieved and it becomes a reality, it seems like something very ordinary, but a thorough examination can only be carried out in the light of the former reality, when the Arab world led by Egypt stubbornly held on to the "no" doctrine.

what is clear now is that we should not go to the autonomy negotiations the casy way—that it is in our interest as well as Egypt's. And we should not think that Egyptian extremism reflected in this mode' is tactical only. It is very important to pay attention to some significant articles in this plan, since they reveal intentions which are not only substantially different from these of israel, but also from what was already decided on by the two sides.

First, it is clear that in the "autonomy" plan revived by Israel, there was no intention to establish a Palestinian state in Judea Samaria and the Gaza Strip: On the contrary, the intention was not to establish such a state. Not only Israel declared this, but the U.S. as well, and Egypt also said so, even though with reservations.

The Egyptian "model" for outonomy is, in fact, a Palestinian state with all the implications involved, even though it is labeled "autonomy." When you speak about a structure with 3 branches, administrative, legislative, and judicial, you are talking about a state. When you talk about giving all the powers of the military government to the Palestinian administrative council, including powers in the area of security, it is clear that you are talking not about an autonomy, but about the establishment of a Palestinian state.

The Egyptians make it unnecessary to use our imagination, since, further on in the plan, they describe the institutions of the autonomy in precise detail. These institutions would be regarded as state institutions anywhere in the world. The "administative council" is exactly like a "government." The definition and the role of the "legislative assembly" are those of an elected parliament, and the Egyptians talk about a judicial authority which includes courts which derive their authority from the autonomous body.

Lgypt is not talking any more about "returning territories." This way it can talk only about "autonomy," and the term includes everything, including the return of "Last Jerusalem," although it retrains from using this term. Egypt's plan mentions "only" that East Jerusal would be the capital of the instrumenous area, but it is clear that what is involved is revoking Israeli authority over last Jerusalem.

This snows that Egypt strives to push all its objectives through the "back door" of the term "autonomy." Therefore, with all the respect that should exist in negotiations between neighbors who live with each other in peace, Israel cannot have a "split" attitude towards a certain article. It has to reject the whole gian because of the articles it contains and because of the general intention of establishing a Falestinian state, something that contradicts the Camp David accord. Everybody knows that the peace agreement with Egypt was arhieved in part due to the fact that decision on articles on which there was no agreement were postponed or phrased in such a vague way as the actual characters. But on this issue, the explicit opposition to the establishment of a Falestinian state, nothing remained vague, and all was through ricardy. Egypt has the right to suggest articles and proposals, inclusible as they may be, or this and that issue, but it cannot view as regitimate the fact that it presents a plan which stands in contradiction to everything that was decided an between.

There is no way around rejecting the Egyptian plan, and we hope that the friptians themselves will understand that they went too far with their "innerence." we hope that the U.S. will also understand Israel's motives in rejection, a plan with such intentions and such articles. This rejection is supported by the absolute majority of the people of Israel, and by a great majority is the Enesset, both from the solution and type the appointment.

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MOUNTING PRESSURE FOR SHARON'S RESIGNATION

Tel Aviv HA'ARETZ in Hebrew 3 Feb 80 p 9

(Article by Dan Margalit: "Gruper against Sharon: The Pressure is Mounting."]

Itext] Agriculture minister Ariel Sharon and Member of the knesset Pesach Gruper stepped talking to each other about 6 months ago. Nobody then had yet bought land near the village of Rujasb in Samaria, and unknown middleman had not not put some of the money in their pockets. Gruper is an authentic representative of the agricultural lobby, and he had been saying repeatedly for a year that the minister in charge "ruins this branch of the economy." Similar spinions, although expressed less harshly, are heard today from farmers who are members of the opposition, such as Amos Haddar and Yehezkel Zakai.

trupet is candid about his role in the parliment. He was elected by the farmers. They surround him everywhere, in the farmer's union and in the knesset cafeteria. It is possible to say that he is a typical example of MKs would have been elected by the regional election system. He is a loyal and active representative of his region and the interests of that region. MK idean the central that given the regional election system, ruper would have been elected long before other MKs who feel excessively self-important.

Sharon has To do

icrordin.ly, Gruper's voice was heard when it was impossible to fly flowers a road for export and when the credit given to farmers was cut. "Sharon should live resigned long ago," said Gruper last week, "notwithstanding the terrible land diffic in Rujayh." Five days ago, Gruper wanted to demonstrate his claim that his quarrel with Sharon is only on the issues.

In the time of the uproar surrounding the land affair in Rujayb, a sub-lobby was subjectly established, composed of a small group of Coalition MKs, to serve the interests of the flower growers. The Coalition wanted "to talk flowers" to the research and did not want the farmer MKs from the opposition to have a share in its success.

Hereite, typer does not have a real interest in making up with Sharon, although it seems to him that the Agriculture Ministry have the order to make it more difficult for him in his private business and to hinder the economic development of his hometown Aflit. When Mk Hillel Zaidl, who is known as peacemaker in the Likkud, came to Gruper and suggested that he make up with Sharon, Gruper firmly refused. He said that it was not a personal quarrel, and that he is attacking the minister on the issues.

what are the issues? First of all, they are the interests of the people he represents. If the farmers had supported Sharon, if their economic situation had improved, if they believed in Sharon's policy, Gruper sould not have carried out his struggle against Sharon. The struggle continues and is jetting worse, and those in the Knesset who know the situation, claim that it would reach its peak in 72 hours, because Gruper's constituency is not satisfied with Sharon as Agriculture Minister. They are willing "to give Gruper rope" to attack the minister in all areas.

List week the MEs counted the votes in the government. Fight ministers expressed willingness, in private conversations, to adopt the report of Judge Kennet's committee. The prime minister promised in answer to a proposal by MK Yossi Sarid to examine the matter thoroughly, and cruper helped to get the votes against the alinement "For Begin, not for Sharon." The Liberals expect a delision in the coalition. Messengers have already knocked on Begin's door to tell him Sharon can of stay in the government if he does not give up his square Ranch. According to them, they need one more vote to force Sharon to resign.

The literals who hate Shirm find it easy to make demands it egin.

the of the Liberals told begin: "We have an example already, thrisch had to leave. He left and we did not cause a trisis in the government. As he went, sharon also has to go." When the Liberals came to Begin's office yesterdis, it was clear that Begin was delaying Yithiak Stamir's appointment as treign Minister, until he could come to terms with the Liberals' demands, including the demand to published come to terms with the Liberals' demands, including the demand to published in his place. The Liberals had a clear than, which was tablished in half. They saw two possibilities. The first, with was less realistic, was based on the assumption that Sharon would resign from the average of the later than the personnel of the first his present; it, and then imper sees himself as a military for the left. The other possibility, which was regarded as more tealistic, is that new persons are expected to be in the covernment soon.

Triper she strong for Sharen's dismissal, knows that he would not be elected in his place, but he happy that Deputy Frime Minister Enrich would be given the jub temperarily, and he would be his deputy. The agricultural lobby of the Libers View this is quite a resonable solution for the near future.

The Liberals small have liked Smaron to resign, even through not all of them Would have preferred traper as his replacement. According to their calculations, there is no more than a 30 percent chance that Meyel would ask Sharon to go.

This is in spite of shipper's accomulating failures in agriculture and in the land affair in Rujayb, his refusal to give up his ranch and, and the tension between sharon and Beaun's entourage who wire sharon against the danger to the government if he continues to be a member of it.

People to the likkud block in the knesset saw two basic reasons why begin tries to avoid a confrontation with Sharon. First, he admires Sharon as a top military man, even though begin himself said once that Sharon is a cruel person, he did not forget to mention his successes as a military commander. Begin mentioned several times in the government that there are sentimental ties between their two families. A woman from one family was a midwife for some redy from the other family. The second reason is what Begin said in a speech in the Knesse', in response to Sarid who called for Sharon's resignation:

"As if the government can fire a minister."

That is the key phrase that judicial experts of the Liberals point to as the main obstacle. Sharon has a thick skin. The government can decide that he has to go, but he would not comply willingly. He feels he has a mission. He feels contempt for those who do not share his opinions. If he were asked to resign, Gush fmunim would find a learner man who would instruct him to stay in the government in spite of his colleagues, for the whole land of Israel.

Thus, be would force Begin "to go to the president" to resign, as there is no other legal way to make Sharon go. The whole government would have to be dispersed and reconstructed without Sharon. As the Liberals know all too well, it leads were to go to President Yitzhak Navon to announce his resignation, there we take the would be able to reconstruct the present government.

The sent of this emberrassing situation, Begin does not decide to get rid of Sharon. The sent of the s

94 (). 1900 - 1900 FLON MOREH MOVES TO . . AT SHIEM

fel Aviv HATZOFEH in Hebrew 30 Jan 80 p 2

[Fditorial: "Kirvat Shhem"]

The settlers of Elon Moreh started to move yesterday to Har Kabir near Shhem. In the first stage there would be 40 housing units for the settlers. The location of this settlement was not chosen by chance. It overlooks Shhem and towns and villages in the heart of the Shomron. As planned, a town would be established there which would be called "Kiryat Shhem" and would be one of the most important Jewish settlements in Judea and Samaria.

The relocation in Har Kabir is the last phase in the long struggle of the settlers of Elon Moreh after the supreme court determined they had to leave the land they settled on, following a petition by the Arab villagers. At first, the settlers did not accept the government's decision regarding relocation in Har Kabir, and demanded to tie it with the issue of the judicial status of Judea and Samaria. There was serious danger that the settlers will prose the carrying out of the government's decision, and a confrontation will develop between them and the army. But, finally, the moderates among the settlers and the leadership of "Gush Emunim" prevailed, and it was decided to the new site.

Tremendous efforts were put into laying the ground and constructing the building in the babir. The work was done in a frantic pace and by usual means, so that the time schedule muld be followed in spite of the difficulties involved in which in a ranged terrain. Now the place is ready to receive the first actilers.

Even the the relation in Har Rabir was not tied with a decision on the full life status of Judea and Samaria, the struggle of the settlers on that issue prizing anderscored that objective. This issue would not go away, because the future of further Jewish settlements in Judea and Samaria is injuried and it. The orderly relocation of the people of Flow Moreh in the rabir life and important layer to further Jewish settlements in the Lind of Flow Moreh.

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JEWISH FEELINGS ABOUT HEBRON REVIEWED

Tel Aviv HA'ARETZ in Hebrew 8 Feb 80 p 13

[Article: "The Settlement Policy Has Caused Tension Which Should Not Now Be Augmented by Jewish Settlement Within Hebron Proper"]

[Text] It was Jews with Zionist identity who looked for a way to leave Jaffa and establish Tel-Aviv. What kind of Zionism is it which wants to return to the heart of Arab Hebron?

The massacre of over 60 lews in 1929 caused outrage and disgust--justifiably so. But the Jewish community in Israel as well as the Zionist movement in the diaspora in no way regarded the mass murder, and the evacuation of Jews from Hebron which followed it, as a fatal blow to the project of building the land. The Zionist leadership which decided to not work for the return of Jews to Hebron did so reluctantly, but the move was not considered unbearable.

No one considered the return to the city of our forefathers to be the backbone of our national i maissance. The defeat in Hebron did not register as the defeat of Lionism but as a proof that the Jewish community with its pre Lionist image could not withstand Arab nationalism with fanatic religious overtones. The late Rabbi Me'ir Berlin congratulated the new settlement in Mfar Etzyon in 1943 saying that it marked the beginning of the road of return to Hebron. He mentioned the above Jewish Agency resolution with regret. The establishment of this and a few other settlements in the forties was an important achievement since they were in a region which according to land transfer regulation of the British high commissioner, based on the 1939 White Paper, was barred to Jews.

but the land was acquired, some of it, at least, earlier. In any event, the authorities had to remarke the legality of the land ownership and reconcile themselves to the settlement fact. That in itself was not prohibited by the White Paper.

Even then it was questionable whether the establishment of the Etzyon cluster made any sense when it was already fairly clear that there was

no chance to successfully end the struggle against the White Paper except by agreeing to divide the country. In this case it should have been very doubtful that the Etzyon cluster would be included in the Jewish section. But in 1943-1945 there was still a desire to "stain the Arabs," as Yosef Veitz, chairman of the land division of the Jewish Agency, once said. With all due respect to the defenders of the cluster and their 1948 sacrifice, it seems, at the same time, that maybe the need to defend the Etzyon cluster was at the expense, maybe even fatally so, of our strength in Jerusalem.

Gush Emunim people, who demand that the government enable them to resettle the Jewish Quarter in Hebron are supposedly asking to right an historical wrong. It is obvious that they are not willing to live in the city of Hebron the way the Jews who had to leave it did. The Arabs in the city are aware of the change and cannot be blamed for it.

One could wonder whether this attitude would be different had Qiryat Arba been settled by graduates of HaShomer HaTza'ir. They probably would have viewed them with suspicion and hostility, too. But iryat Arba is not populated by those who preach international fraterity. It would not be too far fetched to say that Rabbi Levinger's followers are not exactly full of love for the neighboring nation.

the defense minister said on 6 February that "we have reopened these regions to Jewish presence, to Jewish traffic, to our right to settle and live there and to create a system of good neighborly relations between Jews and Arabs. They will always have to live in these areas together, side by side, with good relations, without expropriations and without human rights violations."

This quotation reflects his position very well. On the one hand Weizman identifies with the ideological line of Herut, which opposed the division of the country—although agreement was a precondition to the establishment of the lewish tate. Herut is now trying to take advantage of our Six Day war victory as a right to undo the 1947 historical compromise. On the other hand Weizman is shying away from the stiffness and aggressiveness of Gush Emunim, being that he is aware of their responsibility for tensions in Hebron in recent years.

Mr Weizman supports our right to "live and move about freely and safely in Hebron, Nablus, Rama, lah and any other place in Judea, Samaria and the Gaza Strip." At the same time he is careful to not suggest putting Jewish settlers in vacant houses in Hebron proper. Some believe he is even apposed to it.

the prime minister, on the other hand, is known to be in favor of just this trend. The fact that he is delaying a debate on it can be attributed to tactical considerations only. In the meantime he sees no harm in his defense minister describing "a system of good neighborly relations between

Jews and Arabs" as one of the goals of the Israeli government. The fact is that both Mr Weizman and Mr Begin have to use this tone. Anyone who aims to rule 1,100,000 Arabs, who are not Israeli citizens, and to whom there is no intention of granting Israeli citizenship, or forcing it on them, has to talk this way. The point is that the Jews who are willing to settle in Judea, Samaria and the Gaza Strip and who are demanding reconstruction of the Jewish Quarter in Hebron treat the Arabs, at best, with complete indifference. One might even ask if a "system of good neighborly relations" is indeed one of Zionism's goals.

This author was always under the impression that Zionism aims to create a national framework for Jews where they will be a majority. Zionism was created in order to extricate the Jewish people, or at least a good part of it, from the traumatic experience of being a minority, which is the byproduct of the diaspora. Political Zionism, as founded by Herzl, was, above all, territorial, and its ideal does not foresee the existence of "neighbors" altogether.

From the minute that the movement became active in the full sense of the word, it had to contend with the phenomenon of "neighbors." Since it became obvious that two families can indeed live in one building but are better off not being crowded into one apartment, it agreed to the idea of dividing the country. The state of Israel was established based on this understanding and agreement. Although the problem of being neighbors with another nation was not solved, it was at least reduced substantially to an Arab minority within the state.

The hate of all Arab countries continued to pursue us. As a result of a war that was forced on us in 1967 our effective rule expanded to parts of the western Land of Israel which we had given up 20 years before. But even a victory in a defensive war should not have tempted us to rescind that historic agreement. Even now no way can be discerned to form decent relations between Jews and Arabs except those based on total separation, inasmuch as possible, and not on the fact of our geographical rule, which perforce increases the proportion of the non-Jewish population.

the security we need cannot be found on the territorial level only. Without agreeing with the demand that Israel sho i return to its pre Six Day war borders, it should be pointed out that national homogeneity is also a security factor, most probably of crucial importance.

the government of Israel refused to accept this approach. In June 1967 it was willing to talk peace with Egypt based on the old international borders, but remained silent as regards Jordan. Gradually Israel started adopting a new line of thought. Qirvat Arba is one of the results of this change.

Today we do not know how to get out of the trap we laid ourselves. Begin's autonomy plan, which was intended to do so, was rejected outright by both

the United States and Egypt. As a formula for self rule for an interim period it is obvious that it cannot serve as a permanent solution.

The Arabs of the territories object to settlements even more than they do to the military authorities. They do not buy the idea of good neighborly relations with Jews. Even if they believe in the sincerity of Moshe Dayan, Shimon Peres and Ezer Weizman, our presence detracts from the Arabism of their environment. All promises of our intentions for good neighborly relations cannot obliterate the fact that the settlement projects do indeed accomplish just this detraction.

The settlement policy caused a severe political sickness. For the time being it is difficult to see how it can be cured. A modest advice, however, can be offered to the government even at this late date: to not aggravate the situation even worse by reconstructing the Jewish Quarter in Hebron.

8646

AMERICAN REACTION TO HEBRON POLICY

Jerusalem HAMODI'A in Hebrew 14 Feb 80 p 2

[Editorial: "Sharp Reaction of The American Government to The Resolution on Hebron Seen as Misinterpretation"]

[Text] The American reaction to the government Hebron resolution was sharp in content and form. The reaction was plan, and probably guided, from above. It was sharp and resolute, one might even say it was completely out of proportion to the government resolution which was more declarative than leant for implementation. It is doubtful whether the government expected such a sharp reaction. The reaction itself was intermingled with a rather transparent threat, although not explicitly expressed, that in the future the administration may retaliate, i.e., cut the aid it is giving Israel, if the latter tries again to create facts which may be detrimental to the autonomy negotiations.

The editors do not support settlement within Hebron. Even the establishment of Qiryat Arba was forced on previous governments. If not for the initiative of the group which now form Gush Emunim it is doubtful whether there would have been a Jewish settlement within the Hebron city limits. No one was excited over this initiative, especially because of the doubts and questions surrounding the future of the region following the place treaty with Egypt.

But everyone agr as, with the possible exception of Rabbi Levinger and his followers, that the government resolution of 10 February is not intended for implementation. No believing Jew can deny the right of Jews to return to one of the cities of our forefathers, a city which once upon a time was a large Jewish center. Jews were expelled from it 50 years ago following the cruel pogrom. Differences of opinion come up when implementation is on the agenda. If Jews did not return to the Jewish neighborhood in the old city of Hebron immediately following the Six Day War there is no need to insist on this right now, that a Jewish city has been established on the slopes of Mt Hebron. Even without making any comparisons, there is a basic difference between returning to the Jewish quarter in the Old City of Jerusalem and the desire to return to ancient Hebron. The fact is that

Jews did not return to Hebron following the Six Day War as they did to the Old City in Jerusalem. Let alone the fact that there is quite a difference in the attitude toward, in the position and in the function of both cities, especially the proximity of the Jewish quarter in Jerusalem to the Wailing Wall, which ensures free, totally unconditional access to the Wall.

The concern of the American administration regarding the government resolution of 10 February reveals some of the sensitivity it has on this complex issue of the future of the territories. Any steps which threaten to weaken the chance of finding an arrangement with the Palestinians causes the administration to jump. People there have overt, as well as covert, commitments on this issue. The truth is that, one way or another, there is a very slim chance that the people of Hebron, for example, will join the autonomy negotiations. From Israel's point of view nothing has been done to delay the goal which is so hoped for in Washington. Since there is no such chance for that at all, to Israel's best understanding.

One might even go a step further to state that the American reaction may achieve quite the opposite. The opinion prevalent in Jerusalem prior to the reaction was that the government will be content with a mere declaration of intent. Now it is not clear that the challenge will not tempt the group in Qirvat arba, a group that will not be happy with mere declarations. That group may put the government in an embarrassing position and it will not be able to remain passive.

The editors do not wish to be wise in hindsight and ask: was this reaction considered ahead of time? Is this the proper reaction to the murder of a Jew in the market alley? Regretfully there were negative reactions in Israel, too. The editors will not even mention the gang which saw fit to visit Hebron's mayor and identify with him even when he refused to decry the murder. These are the heirs of the gang which sided with the Arab rioters in 1936. But there were more moderate groups, some that supported the establishment of Qiryat Arba, that saw fit to jump on the bandwagon even before the Americans. Thus they paved the way for the sharp reaction of the administration.

In any event, with the delicate present situation, the government has to carefully weigh any additional step so as to not start carrying out decisions which were merely declarative or be dragged by extreme demands. Bickering will not achieve any goals.

8646

ISRAELI PEACE ACTIVISTS ABROAD CONDEMNED

Tel Aviv MATZOFEH in Hebrew 28 Jan 80 p 2

[Editorial: "'Peace Now' in Paris"]

[Text] The "Peace Now" activists have apparently reached the limit of their capability within the State of Israel through protests against settlements, and now are giving their attention to political jaunts abroad in order to dispense their theories there too, particularly among members of the Jewish community. The Israeli ambassador in Paris, Meir Rosen, has taken a positive step by denouncing this "incursion" into Europe and the transfer of internal discussions to other countries, where anti-Israel propaganda is sharp enough as is.

This action of the ambassador aroused the ire of the leftists in our country who argue that it was not within his authority to intervene to prevent the appearance [of the activists] before the Jewish community. This argument is invalid and baseless. The function of an emissary of Israel abroad is to be concerned with the image of the State of Israel among nations, particularly in the nation shere he serves.

If the ambassador receives the impression that the propaganda of "Peace Now" arouses hostility against Israel and confuses public opinion there, it is his duty to sound the tocsin and undertake appropriate action. Otherwise he would not be fulfilling his duty as an emissary.

In France, there is anti-Israel propaganda, at times with the blessing of the authorities who are interested in Arab oil. France is conducting extreme pro-Arab policy, even as far as identifying with the Rejectionist Front and denouncing the Israeli-Egyptian peace agreement. To go to that country and fan the fires, by organizing meetings on the theme "Against Israeli colonialism that dominates the Palestinians," is co give direct aid to the enemy and do serious damage to the State of Israel which is struggling against its enemies within and without.

Thus, credit should be given to the ambassador who was courageous enough to speak out publicly on this issue, to denounce the appearance of the

"Peace Now" people, and to even suggest to the leaders of the Jewish community to refrain from cooperating with them. There was no alternative for him but to take this step, and all those engaged in excess verbiage of the Leftist version, should hide their eyes in shame at this disgraceful manifestation of Jews from Israel traveling abroad to organiz, a movement against the policy and the Government of Israel.

8090

GOVERNMENT BACKED ON LIMITING NATIONAL BUDGET

Increasing Budget Would Fuel Inflation

Jerusalem HAMODI'A in Hebrew 28 Jan 80 p 2

[Editorial: "The Onus of the Budgetary Framework"]

[Text] The Histadrut decided to allocate a sum of IL 15 million for what has been termed "the struggle against economic policy of the government." This resolution is political in nature and far from being directed to serve the interests of the workers of the nation. The Histadrut is led, as is known, by the Alinement. This political entity which has a proclaimed and definite interest in contesting the government and its existence, chooses to confront the government on the economic issue, since this is the government's "soft underbelly" vulnerable to attack.

The government is also forced to struggle within its own circles. Its decision to stand by a budgetary framework of IL 405 billion arouses agitation, even though it is clear to everyone that if the government does not limit itself and does not firmly stick to a budgetary commitment, it cannot succeed at all in the vital mission thrust upon it to fight the galloping and skyward spiraling inflation.

There are not too many delusions regarding the curbing of inflation during the coming year. The question is, will it continue to rise at the rates by which it rose during the current year, or will it be possible to stem it and hold it back to some degree. This issue is purely and simply covered by the question of the size and scope of the budget for the coming year. Every additional billion pounds in the budget serves as oil to fuel the flames of inflation, and must be checked in the most drastic manner, even if we are talking about sections whose vital importance is not in doubt. It is clear to all that a continuation of the galloping rate of inflation will adversely affect not only those vital sections which stand to be cut, but even more vital sections.

The finance minister does not view as sacred allocations within the budget of IL 405 billion decided upon by the government, but he stands firm on

the essence of the framework. All other members of the government are also obliged to maintain this principle irrespective of the outcome of the debate on the division of the budget. The framework itself must not be increased by any means or circumstance. The accepted principles not to cut the allocations for large families, not to hold back on apartment construction and not to reduce rehabilitation of neighborhoods, must be adhered to, but all of this must find a solution within the budgetary framework which was decided upon.

Every attempt to break this framework will be a cause for strengthening the Histadrut in its political struggle against the government. The latter will certainly not be able to counter complaints against it, if it is not unified internally to the fullest extent possible.

Government Announces Good News

Jerusalem HAMODI'A in Hebrew 28 Jan 80 p 2

[Editorial: "A Budget With Three Tidings"]

[Text] There is still a long way to go before the national budget is approved. The government has set up only the framework of a total sum of IL 405 billion. Now the task remains of how to reduce in one place in order to add to another so that the cookie remains whole and everybody is satisfied. What is important at this stage is that after all is said and done, the government brings three glad tidings, as revealed by the announcement of the prime minister following a long meeting.

The first good tiding is that there will not be any cut in the allowances for children. There is no better news than this not only for the citizen who was about to be hit, but for the principle of not attacking the most important issue of the nation and the country, the children whom the Lord has granted to the nation. Curtailment of the child allowance was a blow to principle, a blow to children who are the future of the nation, and a reduction of the living standard of the weak class.

The second good tiding is continuation of the project of rehabilitation of the neighborhoods. This is an activity which concerns the weak classes. But it is a mixed blessing if there is no assurance that rehabilitation of the neighborhoods will not adversely affect the image of society, and that this will not be used as a means to modify an image and to inject a secular spirit into a traditional society. Everything depends upon implementation. First and foremost emphasis must be laid upon the physical rehabilitation of the neighborhoods, to make the apartments more suitable as dwelling places. Many neighborhoods cry out for physical rehabilitation before they take on the appearance of stables rather than dwellings. But we have reason to suspect that those in charge of rehabilitation of the neighborhoods give priority to "social rehabilitation." We doubt that by means of appointment of clerks and guides the goal will be reached.

The third good tiding announced by the prime minister is that the momentum of apartment construction will continue at the pace of recent years. Maybe this will be insufficient for all critical needs. But under existing conditions when the government is forced to make cuts and to slow down many items and projects in order to fight inflation, even this is an accomplishment.

The discussion is not yet over and will continue in the economic [committee of the] cabinet. It is to be assumed that many more economic decisions are destined for the future. But the citizen will feel better if it becomes clear to him beyond any doubt that the government is indeed doing everything to evenly distribute the burden placed upon the citizenry. The fact that the three important goals have not been adversely affected, strengthens the feeling that implementation will indeed be in accordance with principles.

It is still premature to discuss the content and meaning of the budget while its discussion has not yet been completed and while we do not know what has been cut and how it has been cut. But the very knowledge that cuts have been made in important sections, is enough to demonstrate that we are indeed advancing in the struggle against inflation. For it is clear that the national budget is the most effective tool to fight inflation.

8090

C50: 4805

SUBSIDY CHECKS SEEN AS INEFFECTIVE

Tel Aviv HA'ARETZ in Hebrew 12 Feb 80 pp 11, 12

[Article: "EGED Does Not Fulfill Its Obligations in Spite of Massive Subsidies"]

[Text] Before resigning his post as minister of transportation Member of Knesset Me'ir Amit handed EGED a "parting present." All Ministry of Transportation employees were appointed transportation examiners and went out to examine EGED's services in the capital. The result of the work of these 200 employees—who worked on their own time before and after work—were impressive. In addition to tens of reports against drivers who had traffic violations and against EGED for not ke-ping schedules, the operation brought about a real and immediate improvement in bus service in Jerusalem.

The main improvement was additional buses to meet requirements. EGED members in the capital knew that improvements in Jerusalem were at the expense of other locations from which buses were diverted to the capital. Passengers could tell of drivers who did not know their routes and who had worked in Khadera or Haifa up to this operation. When it was all over these drivers started returning to their original routes and again there were many complaints about buses which did not stop or some which did not even leave the terminal.

Subsidies

Controls over EGED living up to its commitments on routes is a sad joke. The job of supervising thousands of buses and 930 routes that the company maintains is handled by five examiners from the Ministry of Transportation. EGED knows this and when there is any shortage in buses, for whatever reason (such as charter runs), buses are not rerouted in order to meet the public needs but to satisfy economic considerations.

Chief comptroller of EGED, Mr Avi Goldman, does not deny the facts and explains them with an example. "If I am short some buses, or if some are broken down, I have to decide whether to reroute available buses to the Kholon route or to the Tel-Aviv-Haifa route. Since the Ministry of

Transportation set the Haifa fare higher than necessary—so that profits on that route subsidize other routes—I reroute available buses to Haifa." Charter trips also take buses away from regular routes. Thus there are dead hours when tens of buses are rerouted in order to transport workers of Aerospace Industry.

Officials at EGED do not deny that there were cases when they did not meet schedules, but chairman Amnon Bugin makes it clear that the cooperative is obligated to supply charter buses—even if it worsens the situation on regular EGED routes—for economic reasons which are not EGED's alone, but also national. If EGED buses are not made available for this service, plants which utilize it will waste a lot of money to acquire vehicles and hire drivers who will make exactly two trips a day.

It is not only supervision over meeting schedules and other route obligations that is lacking. Public supervision over the financial affairs of this huge cooperative also cannot stand up to it. Economists in the Ministry of Transportation, who are supposed to control EGED's activities, find themselves waiting for reports. Even when they arrive they do not include the necessary data. The government, which gives EGED hundreds of thousands of pounds monthly, does so on the basis of calculations with the company. Frequently government officials do not have the data to correctly assess the situation.

The source of the problem, as officials in the Ministry of Transportation see it, is in the subsidy method, which has no relationship whatsoever to real expenditures of the company. Subsidies are based on those paid 8 years ago. At that time they were raised each month based on a special guage referred to as the "subsidy basket." The arithmetic exercise is simple: the rise in the "basket" is added to last month's subsidy, the fare raises for the current month (if any) are subtracted and the remainder is the amount put on the subsidy check to EGED.

No Survey Done

EGED has misgivings regarding the basic amount and the date it was made dependent on the "subsidy basket." According to heads of the cooperative, there are hundreds of millions of pounds that the government is withholding because of incorrect calculations. In the Ministry of Transportation it is pointed out that the subsidies are paid although there is no formal agreement to the effect, since to date no formula could be found to satisfy both sides.

Economists at the Ministry of Transportation claim that decreased ridership in the last few years will have to be included in the calculations, which will bring about a lowering of the basic figure. In EGED they say maybe, but then the makeup of the "basket" will also have to change since new buses are much more expensive and need a lot of gas.

It should be pointed out that many transportation experts argue that the subject in question between EGFD and the government is wrong to begin with, just as the subsidy method it. These experts claim that subsidizing on a country wide basis, without distinguishing between profitable and losing routes, is a mistake. In order to subsidize the riding public and not EGED it is necessary to examine the various routes and allot each of them a subsidy which will be determined by the gap between expenses and revenues from fares. After setting the amounts for each route the figure should be incorporated into the realistic "subsidy basket." The "basket" will have to be totally revamped every few years and the route survey will have to be updated as well.

That route survey has never been conducted, mainly because of manpower shortage in the Ministry of Transportation. A survey such as this could have brought about a substantial improvement in service. If subsidies were paid by routes it would be possible to charge EGED any time conditions were not met and deduct an appropriate amount from the total monthly subsidy check.

Another entity that is charged with overseeing EGED's activities, especially its financial state, is the cooperative's controlling committee. That committee numbers nine members, seven of whom are elected directly by EGED members. In the last elections the opposition won all seven seats and it seemed that the committee would objectively perform the internal audit.

At The Public's Expense

Actually it turns out that the committee is having a difficult time fulfilling its mission because of lack of cooperation of the management. The latter used a long series of letters to avoid reporting on financial arrangements in conjunction with the acquisition of the 1,150 new buses. Some documents were handed over after two meetings of the regional court in Haifa to which the audit committee turned.

A conversation with a person close to the committee reveals that the accountant who had been appointed by the court to audit the cooperative, as per the committee's request, had received only partial data. Thus, for example, he was not given the detailed lists of expenditures and income of the cooperative, nor the comments and explanations of the balance sheet. In addition he does not have certain documents, among them the balance sheet for 1978/79. He is now considering going back to court in order that it may order EGED to hand him all the material needed for the audit.

The external control over the acquisition deal is even looser. When the Knesset finance committee approved the acquisition plan it was mentioned that EGED had not released necessary financial statements and that approval of insurance "attaching" the purchase price would be contingent on these reports. Since then insurance of this kind has been revoked altogether. The loans necessary for the deal (and attached to the Deutch Mark) were obtained from Bank HaPo'alim. The latter did not even demand government guarantee for the amount given to EGED.

Members of the finance committee familiar with the issue claim that they did not want to invite EGED for a hearing because government guarantees were not requested. One member said that he was going to inquire from the banking commissioner to find out whether the bank acted against regulations by not demanding public guarantees for a IL4 billion loan.

The chronic delays of EGED--both in bus schedules and in financial reporting--should concern the public that provides a substantial portion of the company's budget. The loose control over EGED is, most likely, one of the main reasons for the contempt it shows to the public and to its elected officials.

Many are of the opinion that the government now has a unique opportunity to intensify controls over EGED as part of the government involvement in merging EGED and DAN. If this opportunity is missed it will become even more difficult to oversee a company which provides 97 percent of the bus service in Israel.

8646

FIGHT AGAINST DOMESTIC CRIME

Jerusalem HAMODI'A in Hebrew 29 Jan 80 p 2

[Editorial: "A Mission for the New Inspector General of Police"]

[Text] Is this, too, one of the aftergrowths of inflation, many citizens are asking following the shocking increase in violent crime, break-ins of dwellings, and theft from businesses, which have reached very alarming proportions? All of these point to a degeneration of internal security so that it is difficult to determine what frightens the citizen more: Attacks by terrorists from without, or attacks by robbers and thieves who often do not hesitate to take lives of people they encounter in the course of commission.

Add to this the acts of murder which are becoming established methods in criminal chronicles of "the underworld" by way of "settling scores," and the number of almost daily victims claimed by road accidents, and you come up with an appalling picture. This is a picture which can undermine the confidence of the citizen, drive him to panic, overcome him with fears, and create a sense of lack of personal confidence which tends to push a person to somber conclusions.

It cannot be assumed that the residents of Jerusalem, for example, will be able to sleep peacefully even after the police announced yesterday the apprehension of a gang of robbers involved in the recent acts of plunder. Citizens should be advised to refrain from carrying in their bags monies which serve as temptation to thieves. There are other "good advisories" which can be put before the residents, such as to install security doors, and not to open a door to anyone knocking during the night. But all this is still not enough to restore to the citizens the personal confidence that used to exist. A thousand and one ways are available to those who covet the money of others, particularly at a time when the value of money is in a continuous downturn and living costs are rising.

It is possible to feel easier by saying that it is within the purview of the police department to strengthen internal security, except that it would be a delusion to depend solely upon the power of the police. There is no intention to absolve the police from its elementary functions of increasing patrols of mobile units, demonstrating presence in the streets; and returning to old methods which have proven superior to the new methods, such as the system of "the local police officer" who has disappeared from the scene. But all these are not sufficient to restore the confidence of the citizen. They cannot assure against break-ins and thefts of the kind we have come up against of late.

We are not about to investigate the reasons which drive people to acts of plunder or to lesser or greater degrees of cruelty. We are not about to investigate what may be the motive which drives a person to violate the property of another. This is a theme for a broad psychological study. But even without studies and scientific examinations, it is permissible to establish that Israeli society has divested itself of many restraints and inhibitions which preserved the ethical level. There are appalling manifestations of narcissism, and of the quest for riches without effort. There is a poor example which has spread through society and has reached heights of unjustifiable violation of the rights of others. A bad example motivates those who do not find themselves with access to the feeding trough, to ferret out methods with which to compensate themselves and achieve that high standard of living which others have attained unjustifiably and inappropriately. We shall not go into detail. Many of these matters are known. Anyone experiencing all of this and continuing [on an improper course], is thereby extending permission to persons at a lower level to seek for themselves means with which to [achieve gain], even by resorting to methods which are considered foul and deplored by society.

This is only a psychological interpretation. It does not relieve those who are responsible for public order from carrying on a war of destruction against the spread of the plague, and from using more drastic methods of stalking the criminal, even if it is a difficult mission to chop off his arms. The existing situation appears as a cancerous monstrosity which is gnawing away at the body of society. Coordinated operation by the arms of internal security and merciless punishment for professional criminals who operate on an organized basis are necessary. This mission awaits the initiative of the new inspector general of the police, Perzel Shapir, who must bring to this mission all of his rich experience.

8090

ORDINATION OF REFORMED RABBIS CRITICIZED

Tel Aviv HATZOFEH in Hebrew 21 Feb 80 p 2

[Editorial: "NRP Views with Suspicion the Ordination of Reformed Rabbis"]

[Text] Israeli television is always anxious to televise boxing matches or other unusual ceremonies such as the ordination of the first Reformed rabbi in Israel, but when it comes to an important anniversary of the Bar-Ilan University it does not seem to be a cultural event which is interesting enough for Israeli television to present to the public.

The ordination was a caricature as far as events of this sort go, as is common among Reformed Jews who have turned Judaism to a circus with Christian elements. Regrettably it is precisely this joke of an event which interests the public. The ceremony was accompanied with the report that the Reform movement will now demand the right to perform weddings, as did the extreme religious group which is also apart from the rabbinate. The difference, of course, is basic, because the extremist group is based on theology, and is most meticulous about it, whereas Reform Jews have exceeded religious law and have removed themselves from it. It is therefore impossible to depend on their rabbis to perform weddings according to the law. Reform rabbis officiate at mixed marriages of Christians and Jews and thus contribute to assimilation among diaspora Jews. They hold their prayers on Sundays, not on the Sabbath. The question in this case is, do the Reform Jews follow Jewish law or are they closer to other religions, and only use the title Jews.

The issue that Reform Jews raised, that permission granted the extremists to perform their own weddings and to divide the religious community by having their own kashrut system and rabbis' committees such as that of Agudat Israel, is a valid one which is potentially dangerous to the orthodox community in Israel. Leaders of the NRP worked very hard to establish a unified rabbinate in Israel, based on Jewish law. It is only because of these efforts that we now have rabinical courts that deal with marital issues, a kashrut system associated with each community, a central kashrut authority associated with the rabbinate, religious education, etc.

It is the tendency of the extremists to separate and form their own congregations that may obliterate a generation's worth of efforts to establish a system of national religious life.

The Reform danger should unite all Jews in Israel who follow Jewish law to not exceed agreements on religious issues, and to avoid forming separate congregations so as to head off all claims by the Reform movement that there is already a process of diversification in the country rather than a united religious community.

8646

IRELAND RECOGNIZES THE PLO

Tel Aviv HATZOFEK in Hebrew 21 Feb 80 p 2

[Editorial: "Treland's Recognition of the PLO Seen as a Dangerous Precedent"]

[Text] In his visit to Bahrain and the oil rich Persian Gulf countries the Irish foreign minister, together with the foreign minister of Bahrain, issued a joint communique regarding Ireland's recognition of the PLO. This country, is very close to terrorism of another kind, that led by the Irish people and supported by the PLO, and directed against Great Britain. There is a certain sympathy in Ireland for all kinds of terrorism. Some reports published in Ireland say that some of its ministers have private business ties with the Arab oil countries and that this is the reason for mixing commerce and sympathetic foreign policy. The recognition of the PLO by Ireland is not significant in itself, if not for the precedent for other European countries.

Israeli-Irish relations have undergone many phases. This country, which was sympathetic to our struggle against the British, remembering its own struggle against them, did not recognize Israel for many years because of its relations with the Vatican, which has not recognized Israel to date, being that Ireland is a Catholic country. It was the late Ya'akov Hertzog who took advantage of personal ties he had in Ireland, due to the fact that his revered father had served there as chief rabbi, and who convinced the heads of state there that they could not be different from other western countries and that they should recognize Israel. Thus the Irish government decided to recognize Israel in a secret vote, without publicizing the fact. Nevertheless it did not appoint an ambassador and to date there are only non-resident ambassadors representing their countries in Jerusalem and Dublin.

Ireland has recently been honored by being accepted to the European Common Market and thus it has a voice in the ministerial council of the European Common Market, a council which deals with international and Mid Eastern policy. Every vote on that council is vital for Israel. Therefore Ireland's voice has assumed a more important role than ever before. We have not paid much attention to this country because it is removed from

the heart of international political life. There is also a large Irish community in the United States which made itself be known during Ireland's struggle for independence, just as the Jewish community had a say when Israel was struggling for its independence. It was possible to take advantage of the ties between the Jewish and the Irish communities in the United States in order to draw Ireland's attention to the injustice it is doing Israel. But this was neglected and not done. There are efforts to do something in order to prevent Ireland from joining the PLO with the excuse that the PLO is no longer a terrorist organization but is now a political one.

It is imperative for Israel's diplomatic system to be more alert to processes within various countries and to prevent problems before they occur. There is a similar process now happening in Great Britain and it is too bad that the Jewish community there has not said anything to stem this pro PLO tide both in Great Britain and in Ireland.

8645

FORMER 1DF CHIEFS TAKE POSITIONS IN GOVERNMENT, INDUSTRY

Tel-Aviv HA'ARETZ in Hebrew 28 Jan 80 p 9

[Article: "Aviation's Vicious Circle"]

[Text] There are links among the decision-makers in government, the representatives of foreign arms companies, and other elements in aviation. These links transcend the supply of military equipment and aircraft, and therefore should be reviewed.

On July 4 of last year, Mordekhay Hod, former commander of the Air Force, resigned as director general of El Al. That same day he joined the MTI company, owned by Tzvi Borovitz. This company represents foreign manufacturers who sell their products to the Ministry of Defense. Hod told me that he decided to join that company at the suggestion of his friend David ("Dadi") Borovitz, an owner of Kanaf who was his partner in the air transport company KAL.

David is the brother of Tzvi Borovitz. He owns founding stock in the MTI company. Last week the sale of the Arkia airline to Kanaf was completed. David Borovitz is one of the owners. Now, through Mordekhay Hod, MTI represents Northrop, one of the largest manufacturers of aircraft in the United States. Northrop is currently bidding for the sale of the IDF's future plane.

On April 10, 1973, a month before his retirement from the IDF, Hod was appointed member of the board of directors of the Israel Aircraft Industries. Six months later he was appointed also to the post of assistant director general of the Ministry of Defense and later as assistant to the Minister of Defense for developing and producing arms systems.

Hod retired from that post in 1975 and established a company in the El Al building, in the office space of advertiser Eliezer Jurbin, which offered management services to industrial projects. Jurbin is not only Hod's good friend, but also a friend of Ezer Weizman, just as Hod himself is considered a close friend and protege of Weizman, dating back to the time the two of them served together in the Air Force.

Jurbin, Weizman, and David Kolitz worked together on the strategy of the election campaign of the Likud party in the 1977 elections. Kolitz, a close personal friend of the Minister of Defense, is the owner of the Elul firm which represents giant companies abroad, including General Dynamics, the maker of the F-16 plane. This compnay is now offering an improved model of the plane as the future plane of the IDF. In 1973-74, Weizman was Kolitz's partner in Elul. Prior to that, when Weizman served as the Minister of Transport, Kolitz was his spokesman.

Brigadier General (Retired) Aharon ("Yalo") Yalovsky, who retired from the IDF recently, joined Elul. His last post was Air Force military attache in the United States. In that capacity he had to monitor all the technological innovations in aviation, both in the United States and in other countries. He was also responsible for the Israeli pilots who arrived in the United States to train on the new airplanes which were sold to Israel and to test-fly the planes which were offered for sale. His updated expertise can contribute significantly to the new company he has joined and to the American companies it represents.

9565

AGENTS' COMMISSIONS, FEES ON ARMS PURCHASES DISCUSSED

Tel Aviv HA'ARETZ in Hebrew 28 Jan 80 pp 9-10

[Article by Zeev Yafet: "The Battle Over the Selling of Equipment to the IDF (3): The Breaking of the Agents' Law"]

[Text] Many believe that for every purchase for the defense system, a commission is charged by Israeli agents who represent Israeli and foreign manufacturers. This is a mistake. About 80 percent of the purchases for the defense system, which take place between governments, involve no commission payments. The agreements are signed directly by Israel and the selling country, which deals with an Israeli purchasing delegation, both in the United States and Europe. This delegation is an arm of the Ministry of Defense.

Thus, for instance, when Israel buys new tanks from the American Army, the American Government is paid, and the money is transferred to the army. In aircraft purchases, the money is handled by the governments, and the American aircraft manufacturer gets paid not by the buyer—Israel—but by the American Government. Similarly, no commissions are paid for Israeli—made products which are provided directly to the army by the various manufacturers.

Competing for a Slice of the Pie

This arrangement is quite logical. An agent's commission runs between 5 to 20 percent. If the Israeli agent receives a commission from, say, an American manufacturer who has been awarded the sale of the IDF's future airplane, worth more than a billion dollars, he will make [a huge] profit all at once.

In actuality the present situation is not so simple. Even when the deals are made between governments, without a commission, big American manufacturers hire Israeli representatives who try to convince the decision-makers in Israel to buy their products. Thus, as was described in previous articles, Moti Hod and Tzvi Borovitz represent Northrop which manufactures aircraft; David Kolitz and David Rubin represent General Dynamics, also a giant aircraft manufacturer.

And there are others: Attorney Hazi Vered represents, among others, the Bell Company which makes helicopters. Israeli Saul Goldman represents the giant Hughes company which makes radar equipment and electronic systems, while Colonel (Retired) Gideon Alrom is the general manager of TSHT (a subsidiary of El Al) which is the Israeli representative of the United Technologies International conglomerate. This conglomerate includes such companies as Pratt and Whitney which manufactures jet engines, Sikorsky, the helicopter manufacturer, and others.

The giant American companies pay their Israeli representatives large annual fees. They also pay for plush offices, staff salaries, telephone and telex. As will be explained later on, this arrangement is often preferable to receiving a commission. This is why many Israeli agents have recently switched from commissions, which are paid for each sale they make to the defense system by representatives of the companies, to a set annual fee.

As mentioned before, 80 percent of the purchases take place between governments, without a commission. The Israeli agents compete among themselves to get as large a share of the remaining 20 percent, which also add up to billions of pounds.

Excessive Profits

Dr. Fuka Hirsch, the arms agent who died last year, had led an outrageously ostentatious lifestyle. In 1972, after his mansion was raided by internal revenue agents, it was found that he had left a large portion of his commissions from arms deals abroad, reporting smaller amounts to the tax authorities in Israel.

A year later, in the wake of the Yom Kippur War, public surprise at the high profits of arms agents grew. In the years 1975-76, public pressure increased as a result of the discovery of corruption and graft among officials of the Defense Ministry, members of the IDF, and arms agents. It was also discovered that two senior officials of the Defense Ministry had established a fictitious company to represent foreign arms manufacturers, and that the very same officials dealt with and approved purchases from their own company.

The counsellor of the Defense Ministry, Mr. Gorni, confirmed in a conversation we had that as a result of public complaints regarding the high commissions paid for the purchasing of military equipment, the ministry decided to find out what the commissions of the Israeli arms agents were. Legally, the ministry does not have the right to inquire from the agents or the manufacturers about the commissions. This is why a law was passed to limit the commissions of arms agents, which went into effect on March 30, 1977. Before that time a committee headed by Dr. Rotenstreich, an attorney, heard appeals from representatives of arms agents and of the Defense Ministry.

The law defines who is authorized to act as an arms agent and states that the Minister of Defense can, through whomever he appoints, determine the rate of commission an agent may receive and the mode of payment. Attorney Gorni explains that this clause implies the authority to limit the commission paid to the agents and to direct them to pass on the difference to the Ministry of Defense. Thus, the state would receive each year many millions of dollars which otherwise would be pocketed by the agents.

Ugly Discussions

Yosef Ma'yan, director general of the Ministry of Defense concurs with his colleague, Shalow Aharoni, the associate purchasing director of the ministry, and with its counsellor, that "there are difficult problems with this law and it is not easy to interpret it." The reason: the definition of the kinds of products for which commission rates can be set is not clear. It is very easy to determine the commission for such items as missiles, and there is no control over civilian products such as private cars which the army buys. But what about small aircraft, or a computer attached to a tank or radar, which can be used for both civilian and military purposes?

Ugly and wearisome discussions take place between agents and officials of the Ministry of Defense on this subject. At times it seems both the Kenesset and the Ministry of Defense are content to wave in the public's face the "Agents' Law" and argue that there is tight control over them, when in actuality they do not do a thing to clearly define the products in order to prevent breaking of the law.

Moreover, although the law defines who is an arms agent and also refers to agents of foreign companies who get an annual fee for consulting, the Ministry of Defense to this day only deals with agents who receive a commission. "We haven't learned yet how to deal with consultants who get an annual fee," Shalom Aharoni, the associate purchasing director of the ministry told me. This is why more and more agents prefer annual fees to commissions. They change their status to consultants and receive a regular annual fee, when in actuality they get their commission without sharing it with the Ministry of Defense.

The Secret Chart

Shalom Aharoni is the official whom the Minister of Defense has appointed to determine the rates of the agents' commissions. Aharoni composed a chart with groupings of different products. For the more sophisticated products, which require that the agent maintain a service system in Israel after their purchase, the agent gets a higher commission than for products which are simpler and do not require service.

The peculiar thing is that without any logical, legal, or moral justification, this chart has been kept secret from agents. Instead of publicly displaying this chart, so that every agent would know exactly what the rate of commission granted him by the Ministry of Defense is, and what portion of it he will have to return to the ministry (assuming the agent does not leave part of his commission abroad and reports a lesser sum), there is a blunt bargaining

process a la Shuk HaCarmel (Tel Aviv marketplace) between the parties. Instead of each party concentrating on its work, the agents and the officials of the ministry engage in a war of attrition.

I was able to uncover a good portion of the contents of that secret chart.

The products, it turns out, fall into four categories. The first is electronic products. A purchase up to a quarter million dollars yields a 4.5 percent commission. Up to half a million dollars—up to 4 percent. Up to a million dollars—3 percent. The second category is mechanical engineering equipment. The fourth: "Materials for production and assembly." This one is at the bottom of the ladder. Here the commission for up to a quarter million dollars is 2 percent; up to half a million dollars, 1.5 percent; and up to a million dollars, 1 percent commission.

The Defense Ministry looks upon the agents with great suspicion. The director general of the ministry says that even the best agents have to be checked over and over again, so that the system does not grow accustomed to working exclusively with them, and thus letting them inadvertantly become sole providers in certain areas. Because of this mistrust, all the purchases of military equipment abroad are conducted by a purchasing delegation which operates out of New York.

In New York, some 250 members of the delegation take care of thousands of purchasing orders which are sent by the Defense Ministry from Israel. Inevitably a bottleneck is created in New York, since an insufficient number of experienced officials (some of them students) take care of purchasing orders sent by a much larger number of officials in Israel. This creates a situation whereby the officials waste their time and energy taking care of orders of a few hundred dollars. Soon their desks become cluttered with many more orders. Anxious to clear their desks, more than once they hastily handle purchasing orders worth millions of dollars.

The Bottleneck

Moreover, from the time the IDF decides to buy equipment, to the time the purchasing order reaches the Defense Ministry, to the time the order goes abroad, months go by. In the meantime, because of the inflationary conditions which also exist in the United States, the products go up in price considerably. Thus Israel loses millions of dollars each year.

It would be possible to relieve the delegation of the overload of small orders, so that its members may devote their full attention to finding the best and cheapest supplier for their big orders. I was told by the ministry that purchases of up to a thousand dollars could be taken care of by agents in Israel, thus releasing the delegation from time consuming small matters.

But for the time being no one appears ready to handle this decision. Hence, the purchasing delegation purchases everything, and more than once the Israeli agent does not move a finger and does not know at all that the factory he represents has sold its product to Israel. He only finds out when he gets his commission, without having made any effort to earn it.

9565

NEW EASTERN ORTHODOX ARCHBISHOP OF BEIRUT CHOSEN

London AL-HAWADITH in Arabic 15 Feb 80 p 10

[Article: "What Happened to the Orthodox Community of Beirut"]

[Text] The day Damascus announced its decision to withdraw its deterrent forces from Beirut, the Eastern Orthodox Synod in Damascus issued a decision electing Bishop Ilias 'Awdah pastor of the Bishopric of Beirut. This surprise announcement terminated the era of the al-Salibi dynasty which held the Bishopric of Beirut for more than one-half a century.

Observers expected a reaction caused by pressure from laymen of the Orthodox church who protested because Ghafra'il, the Patriarch's delegate to the bishopric, represents a continuation of the role played by Archbishop Iliya al-Salibi in the domain of national unity.

They were told that such an outcry had also been raised the day Archbishop Iliya had been elected. Therefore, they were asked to be patient and wait until the new Archbishop 'Awdah assumed his post, in order to get to know him.

What is important is that the election was made. But reactions followed. The first of these reactions was the meeting held in the Archbishop's home in al-Ashrafiyah last Thursday. It was attended by former ministers and deputies in addition to government, political and economic personalities. The Synod's decision was vociferously criticized by many, including Minister Michel Murr, Ambassador Ghassan al-Tuwayni and Deputy Munir Abu Fadil. The participants reached three decisions calling for making a legal study to challenge the legality of the election, reconvening the Synod to revoke its decision, and commissioning Farid Abu Shahla and Fu'ad al-Tuwayni to go to Damascus and meet with the Patriarch and report this to him.

One of the Orthodox members of parliament had called for a return to the law in effect in 1955 providing for public participation in nominating three religious figures for any vacant episcopal post, with the stipulation that the Synod elect one of them. Patriarch Hazim feels that any attempt on his part to reconvene the Synod to revoke its decision, even through participation of laymen in the re-election process, may cause a serious split in the church, because such an act is considered a slur on the democratic nature of the unanimous decision made by the bishops.

7811

GUELB PROJECT'S INITIAL INDUSTRIAL PRODUCTION SET FOR 1983

Nouakchott CHAAB in French 28, 29 Jan 80

[Two part interview with Guelb project experts Coursin and Nicolas]

[28 Jan 80, p 5]

[Text] The Guelb Project now beginning its execution phase has required innumerable studies. All the research centers of the world have worked on this project since its conception in 1967. But the most significant research has been done at Zouerate's pilot plant at the deposit site itself. This is the topic explored in this conversation with Coursin and Nicolas.

[Question]: Would you give us a brief history of the Guelbs Project?

[Answer]: The Guelb Project has been under consideration since 1967. There are even studies dating from then. Since the time of MIFERMA [Iron Mining Company of Mauritania] it has been known that the rich reserves of Kedia would be exhausted and that it would be necessary to find something to replace them, for such production is vital to Mauritania.

Several searches were made: airborne magnetic searches (air flights were made over Kedia and even further, over all the Guelb around Kedia and higher into the north and south). These explorations turned up some indications; geologists have also covered the territory pretty well where they broke open a good number of rocks to find out what's going on.

I must tell you that the geologists have done a lot of work, they have a thorough knowledge of ores and have identified a multitude of elements. Then appeal was made to American specialists who used magnetometry (they walked over the terrain with the apparatus attached to their belts and observed events).

But the American geologists with all their techniques which were appropriate for rather special conditions, obtained results different from those of the geologists who were at Zouerate for a long time.

When all the reports were checked out, it was the geologists who had been on the site who were right.

At this time, exploratory drillings were made (only one at Rhein, quite a few at Oum Arwagnen, some also in southern Kedia for major anomalies had been noted which they thought might indicate the major center of the deposit).

As you can see, search was made just about everywhere. This is how we discovered that Rhein featured some interesting anomalies. From the geological point of view, the geologists who had a thorough knowledge of the region went to Atomay where there are good crystal formations, a coarse texture, and the ore is sufficiently magnetic.

The fact of coarse grained ore which is also magnetic is extremely important as processing using dry methods and magnetic separators with permanent magnets can be done.

This is an important property for in Mauritania as a whole and Zouerate in particular there is little water. The coarse crystallization means there will be less pulverization necessary, hence less energy consumption.

At the present moment, the price of oil being what it is, this is very important, as it was then (everything I've told you took place in 1970-71-72). The then president, Mr Audibert, had asked us to go for sinterizing above all. What is sinterizing?

Iron ore concentrates give two types of products: Sinter-Feed and Pellet-Feed.

Sinter-Feed is a product now much sought after in the European and Japanese world.

Pellett-Feed is a much finer product used mostly by the American iron and steel industry. There are very distinct differences in operation. Americans look for Pellet-Feed, but not in Africa; they make it at home and get some from South America.

Too, America has never been a major customer of Mauritania. Mauritania's traditional customers have been Europe and Japan.

From the beginning, Sinter-Feed was aimed at as being the product most in demand and theoretically the easiest to produce; but it would be easy to produce only if the ore were coarse grained. And by chance, Guelbs El Rhein produces a product which is not only coarse rained but is magnetic too. The advantage of the coarse texture in the ore is that less pulverization is needed, thus less energy consumption, and as it is magnetic, beneficiation can be done with permanent magnet separators, economizing electrical energy still further which otherwise would have required dynamos.

This orientation has been shown to be positive in view of the consequent increases in the price of oil which could have had dramatic effect, not to say catastrophic, on the Guelbs Project. It can be said that nature has

been kind to Mauritania, kind to Zouerate, for at the moment there was a need to find a coarse textured product, a magnetic product, since there was little water in the country, since oil was going to be expensive, then the product most suitable was found. Allah is with us, Allah who let us find this product so sought for.

All the great research centers of the world have worked with us on this project. We have sent missions to the United States, to Sweden, to France, to Germany, to England, to Japan, in order to develop the appropriate techniques.

This research work was also applied to the magnetic separation which was retained last as giving the best results, to dry method gravimetry (separation by air current which lets fall the heavier particles, the iron ore, the concentrate, and lets float away the lighter such as silica -- then only a good knife is necessary to cull out the product for a good concentrate).

Gravimetric installations did not give good results and were quickly abandoned.

Other orientation experiments (on 400 tons of ore) were tried in France (at IRSUD [Institute for Iron and Steel Research at St. Germaine-en-Laye]) and in Canada. After that a laboratory for the beneficiation of ore was installed at Zouerate where considerable work was done at Guelbs: four tunnels, open galleries, drillings to 30,000 m and drillings decomposed into elements at 3 meters. All these elements were tested systematically in the laboratory so that the properties of each of these products would be known.

These were computerized and filed, and a classification of the ores was set up, to begin with a double entry table for 6400 ore properties (what a frightening figure).

With the help of the computer, principal ore families were identified. The 6400 initial properties were classified into four principal families: coarse grained lightly magnetic, fine grained weakly magnetic, coarse grained very magnetic, fine grained very magnetic (fine only in relation to the whole, for all the ores are somewhat coarse grained).

Research continued at Zouerate by the engineers at the site. One you certainly know is the Mauritanian Abdel Fetah, who is perfectly familiar with all the operations there, who has a remarkable spirit, who has done major work in this area. Moreover, to back up a bit, it was decided to construct a pilot plant, a very important element.

This pilot plant is perhaps the most important pilot plant for iron ore dry extraction in the world. I can say without exaggeration that Mauritania's research center currently established in Zouerate is surely one of the best in the world for dry magnetic separation with permanent magnet. It is assuredly a very important tool.

Right now at the Zouerate site there is some very sophisticated equipment for in-depth studies of ores, I would like to emphasize, of the type that we have in Mauritania. This equipment is adapted to local conditions, ore texture, lack of water, etc. For example, at Zouerate we can't use the magnetic separation with water method as do all the iron producing countries. And this is what is important in our undertaking: we are achieving a world first. At the present time, the countries processing iron ore are wet countries where water is cheap (United States, Canada, Liberia) and thus use water processes.

Here in Mauritania, taking into account the particular problem of the lack of water, it has been necessary to perfect specialities such as dry pulver-ization and dry magnetic separation with permanent magnet.

Thus, once the pilot plant was constructed, some very important studies were made; 35,000 tons of ore went through the plant at an average of 5 T/H (the number of hours effected in this facility which a post works by day only). All the ores, all the parameters, have been studied, which allowed SOCOMINE to make a technical report and a profitability report which was presented to the director general of SNIM [National Industrial and Mining Company]. This organization then forwarded the report to the backers (World Bank, Arab, French and European organizations) with the view of obtaining financing.

So that is the story of the different studies conducted and which have been considerable. It should be stressed that the most significant were done at the pilot plant at the deposit itself.

[Question]: Will the exploitation process used at Guelbs be different from that used at Kedia?

[Answer]: The exploitation process will be completely different from that used at Kedia which exploits mostly a rich ore (65 percent iron). It also exploits poorer ores, called siliceous, (55 percent iron) which in Europe are considered to be rich.

They interest a number of steel experts as they allow compensation for the lack of silica in the overseas ores and assure a better functioning of the blast furnace.

For Guelbs El Rhein, the average (37 percent iron) compared to 64 percent and 55 percent is still poor.

Before going on with the beneficiation, we searched everywhere, for if a new Kedia could be found, with an ore similar to Rouessa, or F'Derick, Guelbs El Rhein would not be developed. It was because of the lack of such a deposit that we fell back on this ore which is the most interesting imaginable. The most interesting deposit is that of Guelbs El Rhein because the texture is coarse and the magnetism is relatively high.

[29 Jan 80, p 3]

[Text] The effective go-ahead signal for the Guelbs Project was given 1 December 1979 and the first industrial production is forecast for 1983.

Kedia activity will continue at a decreasing rate until 1992 during which time operations at Guelbs will increase progressively. This project, coming about during a time of crisis in iron ore, will have many happy consequences for our country, both economic and social, so affirm the experts Coursin and Nicolas in the second part of this interview.

[Question]: There will be a long period of special training for personnel. Are there already some detailed plans for this?

[Answer]: Effectively, this problem of special training exists and is going to be very important. It is the object of our mission and will be the center of the debates we will be having, along with the director general, with the authorities at Zouerate.

At Kedia, in addition to the mine, there is a primary crushing mill, materials handling, stocking, and then a repeat, and then pulverization, and a more or less major magnetic separation. The difference comes in the introduction of a treatment plant, first of its kind in Mauritania. The Guelbs Project therefore constitutes an important new stage in Mauritania.

[Question]: You will be attending the meeting at Zouerate on the 19th of this month -- what do you expect to come out of this meeting that will be of importance to the Guelbs Project?

[Answer]: Essentially, the purpose of this meeting will be to evaluate personnel needs as concerns training and to study ways of absorbing current personnel at Kedia into this project.

Also to be discussed are the installation of the structures and men necessary to the Guelbs Project. This group of questions will be studied at tomorrow's meeting.

The effective go-ahead signal was given us on 1 December 1979 and the first industrial production is forecast for April 1983, after the installation phase (until 1982) and the necessary trial period.

Activity at Kedia will be continued for another seven or eight years at a decreasing rate during which time operations at Guelbs will be increasing steadily until 1992, the date at which the current deposits are estimated to give out.

In the meantime, the second phase of the Guelbs Project will have been finished. The first stage will end up producing 6 million metric tons of concentrates annually, which won't be achieved until 1984, the first year being devoted to "breaking in" the new installations. From 89/90, the second stage will begin to add its production of 6 million metric tons, which will give a production of 12 million tons, programmed for the completion of the Guelbs Project.

As Mr Allaf proposed, prospecting and research went on parallel lines at East Guelbs, Atomay, with the goal of a possible later third stage.

[Question]: Will new jobs be opened by the Guelbs Project or will it simply use the former personnel?

[Answer]: Indeed, there will be new jobs. These jobs, about 450, will be created mainly by the new plant, and to these can be added jobs independent of the plant to total about 800 new jobs in all.

Nicolas: Another thing to be considered is the importance of new investment for a project based on existing resources; in effect for 6 million metric tons, investment is \$450 million, that is \$75 per ton, a figure within the normal range though relatively high. Thus it is necessary to reduce production costs to the minimum and consequently to add personnel according to exact needs.

In 1978, the price of iron ore was very low and comparable to 1973 prices. Currently, prices are rising and projections are optimistic due to shortages predicted for the mid-80's.

However, the other ore producers must be kept in mind, such as Brazil and Australia for example; but these are handicapped by their distance, in contrast to Mauritania which is much closer to Europe -- but they are trying to overcome this handicap by using ships of more and more capacity, a way of reducing freight. All this is to say that Mauritania is engaged in a world-wide battle and the best must win.

It should be emphasized, too, added Mr Nicolas, that the experts, especially those of the World Bank, who have viewed the project close up, who have come to Mauritania on numerous missions, who have long been involved in the calculations, have attested to the project's interest, that it should be profitable, but naturally, everything depends on the executors.

I think, Mr. Coursin continued, that this project is happening at a good time, for it is taking place at a moment of crisis. These are the bases which justify the large investments such as those now being made by SNIM. I must tell you that there are other projects around the world, notably in Ivory Coast, Senegal, Guinea, Madagascar, which were in competition with the Guelbs Project and which were even ahead of it, but it surpassed another element, not less important, due to the substantial investment SNIM consented to make.

It should be noted that it is always very important to make sizeable investments in times of crisis in order to get the product on the market without delay. Why at this time was it possible to make these investments in Mauritania?

It is because the installations were there, as well as the railroad, the port, etc. This is why the Mauritanian project is costing less than those of Senegal or Ivory Coast or elsewhere, for there everything had to start from zero. Also in Mauritania is a human potential which favors achievement of this project.

On his side, Mr Nicolas added that the financial aspect of the project has been conducted with great success, due to the efficiency of the SNIM administration whose action brought together 14 lending bodies, which is also a world-wide premiere.

[Question]: What will be the social effects of this project?

[Answer]: In addition to creating a large number of jobs at Novadhibou as well as Zouerate, the project will require construction of a town of 500 housing units in this locality.

This important technological contribution furthers current levels and calls for further personnel training and the formation of a pool of trained personnel from which employers at all levels will benefit.

[Question]: Could you define for us the relationship between SNIM and SOCOMINE?

[Answer]: SOCOMINE is the consulting body of SNIM. It is made up of former MIFERMA technical directors which, by their slant on things, puts at the service of SNIM their experience of the mine, its problems in exploitation, works management and the administration of the installations at Kedia. They also bring their familiarity with the enterprise and its men. In addition, the man at its head, being those who started the Guelbs project, are very pleased to continue this work with the SNIM directors and to be able to contribute to the completion of the project.

[Question]: Will the Guelbs Project entail modifications of the railway?

[Answer]: Mr. Nicolas responded: 14 million tons per year must be transported by rail, three trains a day rather than the two now in action today. This will require a considerable effort by the railroad to establish reliable regularity.

To this effect, the railway track and the rolling stock, which had been damaged during the hostilities, are being restored to service, and acquisition of new equipment is being projected. We are also expecting numerous Mauritanian personnel to work in this sector in order to achieve the tonnage forecast.

[Question]: Are you optimistic for the future competitivity of the Guelbs Project?

[Answer]: (Coursin-Nicolas) We are very optimistic.

In effect, we benefit first of all from our geographical proximity to Europe which is the principal customer of Mauritania. This advantage has been particularly highlighted by the recent increases in the price of oil. These increases have been particularly serious for Brazilian and Australian competitors, much further away from European markets. Such proximity gives buyers an appreciable reduction in freight costs.

Once the project was conceived, it was important to know if the concentrates to be produced would satisfy customer requirements. Their opinions were to be solicited, which has been done by sending ore samples to the principal buyers. After several tests, they stated that they were 95 percent satisfied with the product, especially with its size and productivity. Its magnetism is also an interesting feature as it allows substantial savings in energy. So there are good reasons to be optimistic about the Guelbs Project.

[Question]: Could you bring us up to date on the technical advances involved in the Guelbs Project.

[Answer]: The first call for bids was made in April 1978, for material ranging from bulk to the most sophisticated.

These calls for bids were for those critical materials whose production time is long and thus determinative. They concern magnetic separators, Aerofall pulverizers, generating sets for an electrical power station (four sets of 14 megawatts totalling 56 megawatts for the first phase, as compared to the 20 megawatts of the present station).

The bids have been received and we are now in the process of putting out the first big contracts: Aerofall, magnetic separators, primary crushing mills, sieving screens, and generating sets for the power station.

The first contracts have been signed. We also have a contract committee comprising members of the Administrative Council who authorize the choice, after which the Administrative Council authorizes the director general to sign the contract. Purchase orders under some contracts have been signed and will be confirmed at the beginning of the year.

[Question]: The problem of financing now having been taken care of as well as the technical problems, there is still the problem of personnel. Have you the men necessary for the Guelbs Project?

[Answer]: We would like to iterate again how important this problem is. For without the men, the equipment will be unusable.

We have a works manager on the site, Mr Fave, a man of undisputable competence, who will coordinate all the work to be done in Mauritania. The SNIM is doing considerable work with all the world wide effort being put into this project.

But men are the essential part. The men who make the plant go must be found. Professional training for Mauritanians at all levels, in all the areas of mining, maintenance, etc., must be planned.

This aspect is one of our major concerns and is the object of Mr Nicolas' and my mission.

8860

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

REJECTIONIST FRONT AFFIRMS ITS PRINCIPLES

London AL-DUSTUR in Arabic 4-10 Feb 80 p 22

[Interview with PDRY Foreign Minister Salim Muhammad, in Damascus on 16 Jan 80, by Kamil Fa'ur: "The Resistance and Steadfastness Front Is a Reality"]

[Text] On Wednesday, 16 Jan 80, the foreign ministers of the "resistance and steadfastness front" nations met in Damascus in response to an official Syrian invitation. AL-DUSTUR was present at the meeting, which was held at the Sheraton hotel. The cold winds blow from the desert making the Syrian air seem somber. AL-DUSTUR had a brief meeting with PDRY foreign minister Salim Muhammad. The briefness was evident in the manner the questions were put and answered.

[Question] Is there any connection between the sudden meeting of foreign ministers of the steadfast countries and events in Afghanistan?

[Answer] The meeting of foreign ministers of the steadfast countries is being held as part of the process of consultation and coordination among the members of the front with regard to all Arab and international issues. The meeting's agenda includes current developments in the Arab world and the situation in western Asia. It is our belief that there are grave developments which must be resisted. These developments are the continued machinations of the parties to the Camp David Agreement against the security of the Arab and Islamic peoples and against the inalienable national rights of the Palestinian Arab people and the occupied Palestinian and Arab land, and the exploitation by the imperialist forces—chiefly the United States—of the events in Iran and Afghanistan as a cover for their imperialistic plans and their clearly aggressive objectives. Our meeting expressed its concern through the positive resolutions which it produced.

[Question] Is the possibility of holding a summit conference for the steadfast countries being investigated at the current meetings? What is your opinion of this suggestion?

[Answer] All the members have previously agreed on the question of holding a summit conference of the steadfast countries. We welcome a summit conference. Such a meeting would unquestionably strengthen the position of the steadfast front in its confrontation with the dangers threatening our Arab people as a result of the imperialist American offensive in the region through collusion between the Zionist entity and the Sadat regime.

[Question] Will the revitalization of relations among the steadfast countries affect the policy of "Arab solidarity" and the resolutions of the Tunis summit conference?

[Answer] The relations among the steadfast countries are solid and are based on firm principles. They are permanent and are based on the principle of a united stand in enmity to imperialism and Zionism. In our opinion, there is nothing at all in this incompatible with the goals of Arab solidarity or the resolutions of the Tunis summit conference. The position of the steadfast countries has continually affirmed strengthening Arab solidarity and implementing the resolutions of the Arab summit conferences—including those of Baghdad and Tunis. They are always striving to improve their relations so as to be responsive to the aspirations of our Arab people for liberation, sovereignty and progress. They are consistent with the seriousness of the events we are living through.

[Question] What is your assessment of the general situation in the region after the events in Afghanistan?

[Answer] The region has experienced many developments over a long period of time. They have recently been marked by revolutionary victories achieved by the region's people in Ethiopia, Iran and Afghanistan as a reaction against the machinations of the imperialist and reactionary forces against the Arab and other peoples of the region. These machinations were crowned by the perfidious Camp David Agreement between the Sadat regime and the Zionist enemy.

Recent events in Afghanistan did not develop out of a vacuum. They are the result of growing foreign plots and threats to the freedom and sovereignty of the Afghan people by hostile forces attempting to restructure their strategy after losing their rapacious advantages as a result of the victorious popular will in a number of countries in the region. In general, the recent uproar by these forces over what happened in Afghanistan actually conceals the aggressive nature of their goals. If continued straining of the situation should push it into the furnace of regional and international conflicts, responsibility for that will be borne by those imperialist, Zionist and reactionary forces hostile to the just and legitimate aspirations of the peoples of this region.

[Question] Won't you find it necessary to allow other Arab countries to participate in your meetings? Which ones are candidates?

[Answer] The steadfastness front is a reality. It has principles and goals for which it is struggling. As we have emphasized time and again it is prepared to allow any Arab nation committed to these principles and goals to participate in its meetings.

9123

123

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LEADERSHIP ROLE OF SOCIALIST PARTY EMPHASIZED

Beirut AL-HURRIYAH in Arabic 4 Feb 80 p 31

[Article: "Democratic Yemen: Using the Democratic Process In Dealing With Party Matters"]

[Text] 'Abd-al-Fattah Isma'il: The masses must expose mistakes. 'Ali Nasir Muhammad: [We must make] the utmost efforts to improve the national economy.

Two prominent events for a while held the spotlight of domestic life in the PDRY. The first was the comprehensive visit by comrade 'Abd-al-Fattah Isma'il, the secretary general of the Yemeni Socialist Party [YSP] and chairman of the Presidium of the People's Assembly, to the fifth governorate, Hadramaut. The second event was the meeting of comrade 'Ali Nasir Muhammad, member of the political bureau, vice chairman of the Presidium of the People's Assembly and prime minister, with the leaders and members of the trade union movement. Despite their local scope, the two events provided broader indications of the role of the vanguard party and what is required of the trade union movement at this stage.

The Party's Leadership Role

The comprehensive tour in governorate number five, which included its principal cities--(al-Makla), (Say'un), (al-Mashhar) and (al-Qatn)--and party organizations, cooperatives, writers and artists, provided a crystal-clear picture of the role of the YSP on the stage of democratic national revolution.

At the outset of the tour, comrade 'Abd-al-Fattah Isma'il emphasized the party's leadership role, which depends not on words and slogans but on practice marked by the effective vital activity of its members. "Our party must become proficient in that during this phase," he said. He called for using the democratic process in dealing with all party matters. He said, "Through discussion we can reach agreements and get to know what is right and what is wrong. This way we can build up trust."

On the subject of self-reliance in the accomplishment of tasks, he pointed out the necessity of matching higher wages with increased production. He described democratic Yemen's friendship treaties with both the Soviet Union and the German Democratic Republic as advantageous for the Yemeni people. He praised the assistance given by the Soviet Union to the Afghan people in order to stamp out the machinations of imperialistic and reactionary forces.

With regard to mistakes and oversights he exhorted the masses not to keep silent about them, but to strive to make them known. He strongly urged committee heads of cooperatives to strive to make the cooperatives true leaders in working to improve the means of production.

At a meeting with working women, the secretary general explained that women must struggle within the framework of their organization, the General Federation of Yemeni Women, to consolidate the new revolutionary traditions and concepts. He urged women to combat obsolete traditions and customs, and declared that they must go out into the work place and participate effectively in improving society.

On the subject of party documents he demanded that the members get to understand them fully, and increase their knowledge and awareness. He said, "Whenever the revolution takes steps forward, problems and difficulties increase. In order to solve them, we must continually keep learning and developing our ideological and political awareness." Party documents define the nature of the phase, the tasks and the role entrusted to the party. He said, "We derive our strength from our party; therefore, we are strong. So that no more doubts arise, we must know that it is the party which leads and guides us." He spoke elsewhere of the party's special role as leader of the mass organizations, and he said that the members must set an example for the masses in their commitment to the rules and laws that are promulgated.

He said, "Party members will be the first to be punished if any of them violates these rules and laws." He again appealed to the masses to work, saying "Money does not rain down from the sky. Labor produces capital, the augmenting of which depends on surplus value, which is required for expanding the national economy."

Comrade 'Abd-al-Fattah Isma'il summarized the party's social role. He said: "Our goal and mission in life is to build a new flourishing modern way of life."

The Party, Government and Trade Unions Share Responsibility For the Tasks At Hand

Elsewhere, comrade 'Ali Nasir Muhammad attended the meetings of the fifth session of the central committee of the General Federation of Labor Unions. At the conclusion, he gave some words of guidance in which he affirmed

the concept of government of the people. He said, "My presence at the meetings of the central committee, and the reciprocal presence of representatives of the trade union movement at cabinet meetings to discuss issues with a direct bearing on labor, are strong and profound indications giving real meaning to the concept of government of the people in democratic Yemen." He emphasized the responsibility of the party, the government and the trade unions for "accomplishing the tasks and duties at hand as defined in our programs and plans of action, the prime object of which is to satisfy the material and spiritual needs of the working class and the masses."

He affirmed the importance of carefully carrying out the plan for competitive production. He said that it could be carried out only if relations between the trade union committees and the workers were firm and strong, and if there were an enlightened policy towards the workers.

At the end of its activities, the central committee directed an appeal to all toiling laborers, and called on the trade unions and labor committees in the governorates, districts and subdistricts, and the trade union committees in the public utilities to make the utmost efforts to improve the administration of the national economy and take a steadfast position with regard to labor.

The central committee bestowed honorary membership in the central committee of the General Federation of Workers in the republic on comrade 'Ali Nasir Muhammad. In its fifth session, the committee approved the general budget for 1980 and the plan of the fiscal review and central monitoring board, as well as the fiscal report for 1979.

On international matters, the committee affirmed its support of the Afghan revolution and sharply condemned all forms of intimidation and conspiracy being contrived by forces mostile to the Afghan people's revolution, as well as calumnies and intervention in the internal affairs of the Afghan revolution. The committee also sharply condemned the United States, which it declared guilty of intimidation and efforts to create centers of tension in the Indian Ocean, the Red Sea and the Arab Gulf regions.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

DEMONSTRATIONS REPORTED--According to reports reaching the office of the South Yemen United National Front in Cairo, large numbers of workers and students have demonstrated in the al-Tawahi and al-Shaykh 'Uthman districts in the capital, Aden, denouncing the Soviet invasion of Afghanistan and the Soviet presence in South Yemen. [Text] [London AL-DUSTUR in Arabic 11-17 Feb 80 p 7] 9123

COOPERATION TALKS WITH FRG BEGIN

Dammam AL-IQTISAD in English Feb 80 pp 60-62

[Text]

The Saudi-W. German Joint Commission on Sunday started its current round of talks in Riyadh under the chairmanship of Sheikh Muhammad Aba Al-Khail, Minister of Finance and National Economy and his W. German counterpart Dr. Otto Lamsdorff.

In an address at the opening of the session, Sheikh Aba Al-Khail said German exports to Saudi Arabia have increased more than 25-fold and topped \$2 billion in the period between 1972 and 1979 while W. Germany imports from Saudi Arabia increased by 400% during the same period. Contracts signed with W. German firms and contractors since 1973 were valued at SR 24 billion and involved more than 100 companies. Saudi-German joint ventures stood at 58 with a capital of about SR 3 billion, 25% of which is held by the German partners, the Minister pointed out.

Sheikh Aba Al-Khail underlined the importance of boosting cooperation between the two countries in various fields.

In his reply to the Saudi Minister's remarks, Dr. Lamsdorff pointed out that by early 1978 trade volume between the two countries stood at 7.2 billion DM. German exports to the Kingdom during the first nine months of 1979 rose by 8% while Saudi exports to Germany during the same period were up by 53%, he said.

At the end of the first meeting, Sheikh Aba Al-Khail said the two sides will discuss at the forthcoming meetings the scope of technical cooperation between the two countries. A number of German experts already work at several ministries and government departments including the Education, Planning and Agriculture Ministries. An agreement

regulating employment of German experts operating in the Kingdom will be signed and un understanding for the set up of e joint company between the two countries will be reached, the Minister revealed.

The Commission on Monday resumed its discussions and centered debate on economic and industrial cooperation and the participation of German firms in the petro-chemical projects and the set up of joint ventures between businessmen from both countries.

Boosting trade exchange and cooperation in investment, mining and minerals exploration fields as well technical cooperation, and raising the number of German experts in the Kingdom and Saudi trainees in W. Germany were also discussed during the meeting. Cooperation in agriculture, desalination research, housing and municipal projects were debated as well.

On Tuesday evening, Jan. 8, a protocol on the commission's deliberations and an agreement for scientific and technological cooperation between the two countries will be signed by the heads of the two sides at the talks.

PLANNED SAUDI-FRENCH SCIENTIFIC, TECHNOLOGICAL COOPERATION DISCUSSED

Riyadh AL-RIYADH in Arabic 21 Jan 80 p 9

[Article by Mustafa al-Yahyawi: "Concentrated Saudi-French Cooperation in Spheres of Universities, Science and Technology; Dr Rida 'Ubayd Discusses in Paris Issue of Solar Energy and Agricultural and Geological Sciences"]

[Text] Dr Rida 'Ubayd, chairman of the National Center for Science and Technology, will begin on Monday his official visit to France at the invitation of Pierre Aigrain, the minister of scientific and technological research [title as published], who received his Saudi guest at Orly Airport yesterday morning. The French circles concerned attach big importance to this visit which, it can be said, is connected with the visit of Shaykh Hasan Al al-Shaykh, the minister of higher education, and the presidents of four Saudi universities to France at the end of last June.

In both cases, the discussion deals with establishing concentrated Saudi-French cooperation in the spheres of universities, science and technology. Previously, there has been no noteworthy French presence in the Kingdom of Saudi Arabia despite France's extensive scientific and technological experience in several fields, such as the medical, technological, space, agricultural, geological, solar energy and other fields. An important program has been prepared for Dr Rida 'Ubayd. This program consists of two parts: One part for bilateral talks with the officials of the Ministry of Scientific Research and another part for the visits which Dr 'Ubayd will pay to numerous French scientific research centers and for his meetings with some French establishments which can work in the kingdom in the future. The talks and the visits will concentrate on three topics:

Solar energy, agricultural sciences and space and geological sciences. Of the visits scheduled to be made to the French establishments, we will mention Dr Rida 'Ubayd's visit to the Atomic Energy Establishment on Tuesday for familiarization with the methods of solar energy generation and the methods of water desalination. On Wednesday, his excellency will hold a working session with officials of the National Institute for Agricultural

and Geophysical Sciences. In the afternoon, Dr 'Ubayd will visit the Chemistry Documentation System Center. AL-RIYADH has interviewed Pierre Aigrain, the French minister of scientific research, and has addressed to him numerous questions on the goals of the visit, its expected results and on the means of cooperation between France and the kingdom in the sphere of scientific and technological research.

Commenting on the significance of this visit and on its connection with the visit paid to Paris at the middle of last year by Shaykh Hazan ibn 'Abdallah Al al-Shaykh and the presidents of four Saudi universities, the French minister said:

The aim of the visit of the presidents of the Saudi universities to France was to discuss cooperation between France and the kingdom in the sphere of universities, particularly in the issues of building and equipping universities and of university structure--especially medical colleges. Last August, I met with Dr Rida 'Ubayd in Vienna on the occasion of the holding of the UN Science and Technology Conference and I invited him to visit France. We know that France follows a special policy in the field of cooperation between the industrial countries and the developing countries, especially when the developing county is rich and is going through a stage of concentrated industrialization, as is the case in the Kingdom of Saudi Arabia. This policy is based on creating joint programs in any of the spheres of cooperation-programs in which each side participates with what he has. In the sphere of scientific and technological cooperation, there are broad scientific and technological relations between France and Saudi Arabia in the spheres of industry and commerce. This is for the present. In the future, we hope that the cooperation will include the university spheres, especially the sphere of scientific and technological research. This is the goal of Dr Rida 'Ubayd's visit to France. Saudi Arabia is one of the biggest importers among the developing countries of highly technological manufactured French products. One of the fields in which extensive cooperation exists between the two countries at present is the field of geology and mineral resources, particularly the sphere of prospecting for oil in deep sea water.

This work is carried out on the French side by the Geological and Mineral Research Bureau. Through our meeting in Vienna and our talks, I have reached an important conclusion, namely that the scope of scientific cooperation between our two countries can be expanded to include numerous other spheres which will be defined during this visit. We leave the option to our Saudi friends so that they may themselves determine the spheres of scientific cooperation beneficial to them and in which France can offer the scientific and technological aid at its disposal.

On our part, we believe that solar energy is a sphere in which France has extensive experience that may be of special significance to the kingdom for two reasons. The first is the availability of solar energy resources, as is the case in all countries located in desert areas, and the second is that in a country with an area like that of Saudi Arabia it is difficult

to supply the conventional electricity energy to isolated areas. On the other hand, solar energy can be supplied to the same areas at the smallest cost and with the fewest pieces of technological equipment. There are also two other spheres in which extensive cooperation can be established between France and the kingdom, namely the spheres of agricultural and space sciences. In all these spheres, France can help the Kingdom of Saudi Arabia to develop its national capabilities because we believe that the developing countries generally cannot achieve big progress in the field of industrialization and modernization unless they develop their own national scientific and technological capabilities. This is realized through the creation of capable national cadres. We believe that this is the policy of your country.

Answering a question by AL-RIYADH on the transfer of technology from the north to the south and on whether scientific cooperation between France and the kingdom takes place within this framework, the French minister said: In my view, the matter pertains to acquisition by the developing countries of the fundamental scientific and technological facts [al-mu'tayat]. This in itself can be done easily, provided that the means for the communication and exchange of this information are available. This is possible if a policy of scientific cooperation is found between two countries. There are no restrictions on the transfer or use of the basic scientific matter. However, the issue becomes more complex when connected with acquiring a license to benefit from a certain scientific discovery. Here the problem of technology emerges and turns into a political problem at times.

[Question] Scientific cooperation between France and the Arab countries takes the form of bilateral cooperation. Can such cooperation be established between France on one side and the Arab countries together on the other side?

[Answer] In view of the experiences that have taken place in this sphere, I believe that bilateral cooperation is much easier than multi-lateral cooperation. Scientific cooperation must begin at the bilateral level before expanding to include other countries. Insofar as we are concerned here, we should not await the results of the Arab-European dialog or of the South-North dialog before we start to establish a policy of concerted cooperation and to set up joint scientific programs between France and the Kingdom of Saudi Arabia.

As for the problem of language which has frequently stood as an obstacle in the face of the Saudi students who come to study in France or to get vocational training here, Pierre Aigrain has said:

I don't believe that the problem of language is so difficult as to pose an obstacle in the face of cooperation between our two countries. There are many Saudis who speak French and Frenchmen who speak Arabic. The director of my office, for example, speaks Arabic. What is more significant in

the sphere of scientific and technological cooperation is that we find that the terminology is English in most cases and is well-known internationally in other cases. Add to this the fact that the scientific language is limited and uses many signs, images and symbols that are easy to understand. It is not an ambiguous literary language. Scientists of various nationalities and languages communicate with each other easily and without the aid of a middleman [interpreter].

8494

INVESTMENT BANKING CORPORATION REPORTS PROFIT

Damman AL-IQTISAD in English Jan 80 p 58

[Text] The Saudi Investment Banking Corp reported a net profit of SR 16.2 million on its activities during the first year of operation.

In its annual report for the year ending on December 31, 1978, the Corp's board chairman Dr Mahsoum Jalal disclosed that deposits with the company at the end of the first year stood at about SR 1 billion distributed among 150 clients or an average of SR 7 million for each depositor. This figure does not include bank deposits which amounted to SR 202 million, thus bringing total deposits to SR 1,202 million.

Among the Corp's activities during 1978 was the opening of two branches, one in Jeddah and the other in Alkhobar. Thus the company now has three branches.

The Corporation boosted its capital from SR 30 million to SR 90 million in January 1979 and the increase has been fully covered. The Corporation purchased a 3,250 sq.m. plot of land in Riyadh at a cost of SR 6.8 million to build its headquarters and branch office in Riyadh thereon.

During the year under report the Corp maintained a high degree of liquidity or 56% of funds at its disposal. Loans granted during the year stood at 130 with a value totalling SR 661.5 million, or an average of SR 6 million per loan.

Of the net profits, the Corp decided to earmark SR 6.6 million for the special reserves and SR 2.3 million for the statutory reserves. SR 3.6 million will be distributed among stockholders as dividends at the rate of 12%. The balance of SR 3.6 million will be carried forward for next year.

Employees of the Corp on the date of the report stood at 154.

RIYADH MUNICIPALITY URGED TO SOLVE PROBLEM OF SQUATTER VILLAGES

Riyadh AL-RIYADH in Arabic 15 Jan 80 p 4

[Article by Fawwaz al-'Ajami: "Shacks and Huts Are Pustules in Civilized Face of Our Country; AL-RIYADH Tours Shacks and Speaks to Their Inhabitants; Shack Dwellers Awaiting Distribution of Land to People With Limited Income"]

[Text] From the tent to a village and to shacks and shanties has been the fate of those who have abandoned both the desert and the village, have deserted the land that can be cultivated and produce and have chased jobs, comfortable living and easy profit.

They have come to the city with all its contradictions, pandemonium and noise. The city has been able to tempt and attract them and to make their mouths run. The bridge over which these people have crossed is that of the full availability of services and utilities in the cities and their unavailability in the semi-desert [al-badiyah].

On the basis of this starting point, we must pause and ponder before entering the atmosphere of the shacks to find out how both village and semidesert can turn into a natural tributary of welfare and abundance and how we can make these waves coming into the city cling to their dry and barren land and create on it an ever-green carpet constantly producing an abundant agricultural wealth for which our country is in the direst need and which strengthens our national economy. This is the responsibility of all.

These waves have come and planted their shacks and shanties.

We must not forget to point out that most of the dwellers of these shacks and shanties are non-Saudis who have come to this country in search of a source of living.

Constant Threat of Eviction

Some have money and some harbor nostalgia for the semi-desert and the village. However, the need for material things and for services has motivated them to search for an alternative and they have found in the city their hopes of getting services and the means of living and have found the way to secure a sustenance for themselves and for their families. However, the greed of land and real estate dealers is almost crushing these people between its cruel teeth. These people have screamed for help and their screams have been rewarded with holes over which they have built their shacks and shanties.

But this action quickly exposes them and their families to danger after a short period of stability. Citizen Salih Zayn al-Balawi, one of the dwellers of these shacks, has said:

"We tremble when the municipality asks us to leave." He added: "By God, I cannot give my children enough vegetables to eat. So how can I rent an apartment for 25,000 riyals when my salary is limited"?

Al-Balawi further added: "My family consists of 10 members and my salary is 1,800 riyals. Is this enough for renting an apartment and supporting a family"?

They and Lands for People With Limited Income

When asked how much he has benefited from the land distributed by the state to people with limited income, al-Balawi said:

"We don't know the lands yet. We have only received the forms."

Citizen Salim Musallam al-Balawi added: "We have checked with the municipality several times on the question of this land. They told us that they entrusted a contractor to survey the land but that he went broke and so they have entrusted it to another contractor. We don't know if they will entrust it to a third contractor. We are still waiting"!

Salim al-Balawi added: "At the beginning, I was living in a shack in the northern part of the square [al-murabba']. The municipality and the companies asked us to move out. A week after we moved out, we received a notification from the municipality asking us to move again. We don't know stability."

Non-Saudis Also

Salih 'Abdallah 'Allatah, a Yemeni citizen who is a sanitation worker in the municipality, has said: "I have moved six times from one place to another. I cannot rent an apartment because my salary is 1,400 riyals and I have a big family."

AL-RIYADH has found that there has been big expansion in the area of these shacks that are located in southern al-Sulaymaniyah and near the military hospital. The paper asked Salih 'Abdallah 'Allatah about the nationality of the dwellers of these shacks and he said that they are non-Saudis.

A Shack for 5,000 [Riyals]

AL-RIYADH then moved to another location and met with citizen Sa'ud Sayyah who said: "This shack has cost me 5,000 riyals. I work as an employee and my salary is 2,200 riyals with which I support my wife and two babies, in addition to my wife's family. I have looked for a suitable house but have found none. The state has, thankfully, given me a plot of land but I have not received it yet and I don't know where it is located.

"I have moved my shack several times, the last time to this place in eastern al-'Ulya."

Citizen Munawwikh 'Abdallah has said: "I was living in a shack in eastern al-'Ulya but the shack has been moved several times because of the opening of roads and of the construction of buildings. Now I have found on my shack a notification saying 'You must leave in 1 week.' I don't know what to do and where to go. My children are in a nearby school and my work place is not far from here."

Insects and Electricity

Citizen Mulham al-Sharari has said: "Most of our monthly income goes for (Flit) [an insecticide brand] because flies and mosquitoes live in these shacks. Because we are concerned with our health and the health of our children, we are forced to use insecticides all the time."

Answering a question on whether the municipality sprays the shacks with insecticides, al-Sharari said: "The municipality has not done any spraying for a long time--for a year, to be exact"!

He added: "Because there is no electricity, we have been suffering and we continue to suffer from severe heat and bitter cold. The children have often suffered from sunstroke and from bronchitis in winter. In summer, we are compelled to cover them with wet sheets at intervals to soften the air. As for living, we are always forced to get the vegetables and fruits we need daily. This takes time and effort. We are forced to do so daily because if I bring a box of tomatoes it will rot the next day, considering that we have no refrigerators due to the lack of electricity. One of the most significant problems that we are facing is that our children have to study under the light of [oil] lamps."

If we count the students living in these shacks, we will find that they exceed 1,500 male and female students.

Answering a question on some shack dwellers who own lands and apartments but still live in the shacks instead of living in their apartments, Munawwikh said: "These people are few and represent a very small percentage. We don't know of any one among us who owns a house in Riyadh and lives here. We

only hear such things. However, I have heard that a very old bedouin woman has refused to move and live with her son in his apartment on the grounds that the apartment 'is a grave in which I cannot see the sun or the sky. Even the air in the apartment is artificial.'"

Water and Fires

Regarding the most serious problems facing the shack dwellers, citizen al-Sharari said: "In addition to what I have already said about the lack of electricity and of the resulting problems that we experience, we also suffer from a severe shortage of water.

"The other serious problem is the problem of fires and of their quick spread in these shacks that are built of wood which catches fire quickly.

"Thus, many families are exposed to this danger. The late arrival of fire engines puts an obstacle in the face of extinguishing such fires quickly. We have no telephones to notify the fire departments and so we are forced to go to them by car to notify them. This causes them to reach fire sites late and allows fires to spread among the shacks. Fires have frequently broken out here.

"We also suffer from some non-Saudi dwellers who bring [insulated] cables and burn them here to get the copper and sell it. This poses a danger to us."

What Is the Solution?

This is the picture of the shacks and shanties located in the heart of Riyadh.

These are the pains and problems of these citizens.

Is the presence of these shacks inside the city a healthy phenomenon and is their presence in the heart of the city a civilizational facade?

What is the alternative?

This is a question that forces itself on whoever has seen these sights that disfigure the beauty of the city of Riyadh, its magnificent picture and its cultural leap.

We in our turn ask: What is the solution--the solution that preserves the beauty of this city and safeguards the citizens who lives in these sites?

We are aware of this big emigration from the desert to the city and of the flow of thousands of villagers into these cities. We are also aware of the development leap being experienced by Riyadh and which is unprecedented in the world. With our awareness of all of this, we are also aware that our wise government has spared no effort for the happiness and welfare of the citizen and for providing him and his family with all services and utilities. Our government's eagerness for the comfort of its citizens and for providing them with the means of an honorable and happy life puts us all in the position of responsibility and requires us to understand and experience the problems and issues of the citizens. This requires Riyadh Municipality to fulfill its commitments toward these people who are searching for a solution that would guarantee them stability and reassurance, even if such a solution is temporary because we know that each citizen will get his share sooner or later and that a house will be provided to every citizen in the near future, God willing. This is what is constantly on our government's mind. However, balanced, well-studied and objective steps are the factor that determines the means and method of action.

Committee To Study Their Conditions

The Riyadh Municipality is required to study immediately the conditions of those who live in these shacks and shanties by forming a committee guided in its efforts by accuracy, responsibility and the fear of God. The committee should draw up a complete picture of the conditions of the dwellers of these shacks. The proper solutions can be then formulated in the light of the committee's study.

The formation of such a committee is a step upon which the Riyadh Municipality must embark because we can learn the truth from this committee and can formulate the right and successful solutions in the light of its work.

This committee must study the social aspect and its impact on the dwellers' way of living. It must also study the economic situation, the nature or the dwellers' work and their nationality. The municipality will be then able to correct the picture and to beautify this civilizational facade of Riyadh.

Ready . . . Ready

Citizen Sa'ud al-Sayyah has told us: We are ready to dwell in any open area owned by the state and to pledge not to appropriate the land or build anything on it until the state completes constructing housing projects for us or until we receive our land and build on it.

Citizen al-Sharari has told us: We are also ready to pay one half our salary in repayments of the cost of construction if the Riyadh Municipality builds for us houses in which to live.

Citizen Munawwikh 'Abdallah said: I wish that these shacks and shanties would be gathered in one location far from Riyadh and in an open land owned by the state and supplied with utilities. We pledge to the state to evacuate

such a location whenever it asks us to. In such a place, we will experience some stability and comfort and will get free of constant threats posed to us by the municipality and the companies.

Some citizens have noted that there is an area whose shacks are inhabited completely by non-Saudis. We in our turn ask: How have these people come, what circle has concluded contracts with them and why isn't this circle forced to provide them with housing?

We believe that the Riyadh Municipality is, like us, aware that this abnormal situation reflects negatively on our country's civilizational facade.

Doesn't this situation require a quick and immediate solution? This is what will be decided by the proposed committee, if selected successfully and if it performs its responsibilities in the best manner.

Finding a solution to this situation will have a positive effect on all the citizens, will bring beauty to the city of Riyadh and will rid its heart of these shacks that do not reflect the enormous development, progress and building advances made by the city. Finding a solution will also eliminate the painful problems of these citizens and of their children who aspire for a happy life.

Let us all work in the light of our responsibilities, guided by the words of the prophet, may God's peace and prayers be upon him: "Each of you is a shepherd and each of you is responsible for his flock."

8494

BIG CONTRACTS TO BE PAID IN DOLLARS

Dammam AL-IQTISAD in English Jan 80 pp 60-61

[Text]

The Ministry of Finance and National Economy has requested various ministries and government departments to price and pay big contracts with foreign companies operating in the Kingdom in United States dollars and not in Saudi Riyals.

In a recent circular, the Ministry said this decision has been taken in view of the recent instability in the world currency markets which prompted many foreign contractors to protect their interests against the risks of currency fluctuations during implementation of their respective contracts through purchase and sale of the Saudi Riyal in exchange for currencies they need to pay for materials and equipment they import from abroad. All such deals take place mostly under the forward cover method.

This has resulted, the Ministry observed, in sudden and uncontrollable waves of cash liquidity that endangered the health and stability of the local banking system and fueled the growth of an external Riyal market, which subjected the Riyal to speculative pressures.

On the other hand, this situation has contributed to increasing contract costs as a hedge the contractors use in anticipation of currency fluctuations and to protect themselves against any possible loss, the Ministry explained.

For these reasons, it has been felt that payment of big contracts in U.S. dollars instead of the Riyal would spare the Riyal and the local banking system the upheavals of this unstable situation and help reduce project cests. This measure will be confined to big contracts whose costs are in the region of SR 300 million or more. As for contracts whose value is less than that, they will continue to be denominated and paid in Riyals, the Ministry said.

As for contracts concluded with wholly owned Saudi companies and firms, the latter shall be entitled to select the Riyal or the dollar as the currency of payment on concluding their contracts. These rules will be applied to new contracts that will be entered into from now on. As for previous contracts, they shall be paid in the currency in which they were originally quoted, the Ministry concluded.

EASTERN PROVINCE ROAD PROJECTS DESCRIBED

Damman AL-IQTISAD in English Feb 80 pp 60-61

[Text]

The Roads Department in the Eastern Province is currently implementing 848 kms of roads valued at SR 1,994 million, the Department's Director Sayed Sami Foudah has announced.

These roads include the 200-km Hafrul Baten-Majma'a road which is nearing completion at a cost of SR 235 million, the 22-km Dammam-Alkhobar dual carriage-way at a cost of SR 25 million, the 99-km Kharj-Haradh-Udhailiya at a cost of SR 157 million, the 110-km Hofuf-Abqaiq road at cost of SR 128 million and the Hofuf-Uyoun-Uqair 116-km road at a cost of SR 42 million.

Director Foudah pointed out that the seven-part highway linking Abu Hadriya, Dammam, Jubail and Ras Tanura is under construction. The first section extends for 69 kms and costs SR 232 million, the second is 66 kms long and costs SR 228 million, the third extends for 25 kms and costs SR 218 million, the fourth is 60 kms long and costs SR 210 million, the fifth extends for SR 41 kms and costs SR 210 million, the sixth is 52 kms long and costs SR 274 million and the seventh is 37 kms long and costs SR 20 million. The highway has six lanes.

The Department is supervising maintenance of its road network with a length of 3,308 kms including the 1,206 km road linking Turaif with Haditha and the Jordanian border and the 951-km road connecting Harful Baten-Qaisuma-Nu'airiya-Khafi-Abu Hadriya-Dammam-Abqaiq-Udhailiya-Khurais-Hofuf-Salwa. Maintenance costs of these roads stand at SR 203 million, Sayed Foudah revealed.

FUND PLAYS MAJOR ROLE IN FINANCING FACTORIES, ELECTRICITY PROJECTS

Riyadh AL-RIYADH in Arabic 17 Jan 80 p 4

[Article by Muhammad al-Qutani: "Industrial Development Fund Plays Its Role as One of Most Important Government Financing Sources; Fund Started Activities With Capital of 500 Million Riyals Whereas Current Capital Exceeds One Billion Riyals; Fund Finances Industry, Electricity, Storage Warehouses and 35 Various Activities to Serve Citizen"]

[Text] The government has not hesitated to encourage and support projects directly and indirectly connected with the citizen and his needs. If we make a count of the government financing sources, we will realize the degree of this interest and attention. The Industrial Development Fund is one of these important financing sources. This fund's role has not been confined to advancing loans to industrial projects but has extended to participation in supporting the electricity companies in the kingdom's cities and villages.

A few days ago the fund was entrusted with a new task which is possibly no less important than the industrial and electricity projects, namely the task of financing the construction of cold storage warehouses which will have a big impact on storing the largest volume possible of foodstuffs. In this interview with Salih 'Abdallah al-Nu'aym, we will shed light on the fund's tasks and activities.

Al-Nu'aym begins his interview with AL-RIYAD by giving an idea of the fund since it initiated its activities:

"The fund initiated its activity of advancing loans to the local factories in 1394 of the Hegira with a capital of 500 million riyals so as to enable Saudi business men to take part in the comprehensive renaissance experienced by the country in all spheres.

"As soon as the fund was ready to receive clients for loans to set up or expand estal" it a, it was surprised by the large number of business men, some of the latted to develop their factories, to introduce modern technology to the latter equipment and to set up their factories on a sound basis so that they may be profitable in the long run while others presented

their ideas and their initial arrangements for setting up plants to produce commodities lacking in the local market despite the increased demand for them and even though this market had to import such commodities at exorbitant prices that constituted a heavy burden to the citizen and the consumer."

Ai-Nu'aym adds: "We have noticed that there is a very strong demand for loans by Saudi business men. This demand is a definite indication of the Saudi citizen's eagerness to take part in the blessed renaissance enjoyed by the kingdom as a result of the directives of the government of his majesty the beloved king and of his highness the crown prince and as a result of the facilities that this government has made available out of its eagerness to achieve self-sufficiency in the citizen's luxury [sic] needs and to enable the citizen to acquire his needs at the lowest prices and with ease. The government has applied international quality standards to these commodities that are produced by trustworthy Saudis to curtail foreign imports and to create an industrially-oriented Saudi generation that is self-dependent, innovative with its ideas and prepared to take the initiative and adopt what is new in the world of industry. This citizen can conduct the necessary research and experiments on the various forms of wealth found in his country so that he may enable the country to catch up with those that are ahead of it in the sphere of industry, to follow their example and even to move ahead of them with the help of sound national ideas. Only a short time after its foundation, the fund was compelled to raise its capital to one billion dollars."

Increased Capital

Al-Nu'aym adds: "The Board of Directors has spared no efforts in its instructions to the fund management, in its constant eagerness to facilitate the red-tape procedures as much as possible and in providing the Saudi business men with whatever is new in the industrial field—such as research, statistics and reports—with the aim of helping the citizen make his way in the world of industry. The board has used its time to bring the Saudi industry into existence as quickly as possible so that the consumer may get local products with utter ease.

"The applications for loans have increased from time to time and this has led to bigger financial commitments toward these applications and the fund's capital has been raised several times, thus reaching 5 billion riyals [figure as published], so that this capital may keep up with the numerous applications. These applications include, for example, [loans for] construction materials, electrical equipment and machinery, chemical and plastic products, foodstuffs, textiles, research and numerous other industries.

"Financial commitments have been made to 559 industrial projects that have been loaned a sum of 6.245 billion riyals by the fund from the time it was founded in 1394 of the Hegira and until the month of Dhi al-Hijjah in 1399 of the Hegira. These loans are distributed throughout the various provinces of the kingdom. This means that the fund's service to industry has covered all parts of the kingdom."

Fifty Percent of Capital

As to the degree of benefit that the citizen has derived from the loans advanced by the fund, al-Nu'aym said: "A total of 431 industrial projects that had acquired loans from the fund have actually started production in various parts of the kingdom. In confirmation of this fact, the second edition of the Guidebook of Manufactured Saudi Products—a periodic guidebook put out by the fund—has been issued to provide an idea to those who know nothing about the Saudi factories and about the effective role they perform in the sphere of the productive Saudi industry. The fund has performed its role in supporting and encouraging the local industry through the loans it advances, considering that these loans form 50 percent of the total capital of any project."

Numerous Activities

Before asking the question I had on my mind, Salih al-Nu'aym said: "The fund's role has not been confined to the sphere of industry but has also extended to that of electricity, which is one of the most important essentials [sic] for both the citizen's life and for factories. For factories, electricity is in fact one of the indispensable mainstays. In 1395 of the Hegira, the government entrusted to the fund the task of advancing loans to electricity companies and of analyzing the applications submitted to the fund for loans to expand already existing projects or to set up new projects. Actually, a special division was set up for this purpose within the fund and was bolstered with technical expertise in the field of electricity due to the importance of this vital utility. Electricity is a part of the important projects included in the second five-year plan. The importance of electricity is evident in the attention that the state has devoted to supplying electricity to all areas and villages. At the outset, a sum of 750 million riyals was allocated for this purpose. But the requests by already existing companies wishing to expand their activities and by the companies which were in the stage of foundation and which sought to achieve the goals of the plan of the government of his majesty the beloved king--a plan seeking to supply electricity to all provinces of the kingdom, both big and small--compelled the fund after a short time to raise its financial commitments which amounted to 17.95 billion riyals [figure as published] in commitments to 68 electricity companies from the time the division to advance loans to electricity companies was established in 1395 of the Hegira and until the end of the month of Dhi al-Hijjah of the year 1399 of the Hegira."

On the other hand, the Ministry of Finance and National Economy announced its approval to advance the necessary locas for the cold-storage warehouses. The Board of Directors of the Industrial Development Fund held a meeting a few days ago in which it agreed to receive, study and analyze loan applications for such warehouses. The loans will amount to 60 percent the total costs of this project. The fund board has already begun to receive applications in this sphere from Saudi business men. The sum allotted for this

program has been set at 200 million riyals, with a stipulation that no single loan shall exceed 10 million riyals. Al-Nu'aym has said: "We expect a large number of applications for these loans. Many Saudi business men inquired about these loans as soon as they were announced. All these loans are for warehouses, electricity and factories that seek to serve the citizen in this pure country."

[Photo caption identifies Salih 'Abdallah al-Nu'aym as the deputy general director of the Saudi Industrial Development Fund]

8494

PROGRAMS TO STOP DESERT ENCROACHMENT OUTLINED

Riyadh AL-RIYADH in Arabic 19 Jan 80 p 3

[Article by Sulayman al-'Usaymi and Hamad al-'Askar: "Cultivating Sands to Stop Their Encroachment on Land; Transforming Project to Stop Encroachment of Sand in al-'Uyun into Public Park; Ministry of Agriculture Builds Three Big Public Parks in Various Areas"]

[Text] In its program to stop the desert encroachment on cities, the Ministry of Agriculture has taken the course of stabilizing sand dunes by cultivating them instead of covering them with asphalt, a process which has proven futile.

The program seeks to create cultivable areas that will serve cities as parks and that will be useful for cultivating timber trees and similar kinds of trees. The program is being currently implemented in al-Ahsa [al-Hasa] in which the sand areas will turn into parks. When [sic] this project succeeds, it will be implemented in other areas, such as al-Qasim and others which face the problem of desert encroachment.

His excellency the minister of agriculture and water has approved the request of the mayor of al-'Uyun in al-Ahsa, to put the project for the control of desert encroachment—a project located at the entrance to the city of al-'Uyun—under the control of al-'Uyun Municipality and to turn it into a public park.

An official source of the Ministry of Agriculture and Water has told AL-RIYAD that the project covers an area of 3 million square meters.

A total of 150,000 ('uqlat athal) trees and other fast-growing trees have been planted to stop the desert encroachment on the city of al-'Uyun and to protect the villages, farms and roads adjacent to it.

This effort also comes as a contribution from the Ministry of Agriculture and Water to create big and spacious parks for the citizens. Within the framework of this effort, the ministry has created parks on very big areas near the city of Riyadh--on Kilometer 100 of the Khurays road--and another

project in 'Asir. When cultivated and supplied with the necessary water, these projects will be turned over to the municipalities of these cities.

The Ministry of Agriculture is conducting at present a comprehensive survey on the lands exposed to desert encroachment so as to cultivate and stablilize the moving sands because of the damage they cause to nearby farms.

An official source of the Ministry of Agriculture has made this statement to AL-RIYAD, adding that the ministry is currently proceeding forth with the project to stop desert encroachment in al-Ahsa--a project which will add new acreage to the stabilized desert areas in al-Ahsa.

The source has said that the Ministry of Agriculture has employed several methods to keep the sand in place, including the method of covering sand dunes with asphalt. However, this method did not realize the goal of the project and so we resorted to spreading a layer of clay over the sand, which again proved futile. We have found that the best means is to cultivate these sand dunes in stages by planting windbreakers and sandbreakers consisting of (al-athal) and camphor trees. We are exerting serious efforts to complete this enormous project in the near future, God willing, so that it may serve the farms primarily and may, in the second place, beautify the desert area with green trees which will soften the area's climate and which can be utilized for the production of timber in the future.

The source has also said that the sand-covered al-Ahsa area is similar to the area of California in the United States which has been planted with trees and which has turned into forests instead of a desert.

The official added: After completion of al-Ahsa area, it is likely that the project will be extended to other areas threatened with sand encroachment, such as the areas of al-Qasim, al-Zilfi and Thadiq.

8494

BRIEFS

NATURAL GAS PRICING--Report by Nasir al-Qar'awi--The kingdom raised the prices of its exported gas as of the beginning of this month of January, thus bringing the price of a ton of light gas--top grade gas--up to \$330. The price of the two other grades of gas has also been raised, bringing the price of a ton of second grade gas to \$275. The kingdom's production has also increased, reaching 8 million barrels monthly. There is the possibility that the price will be raised again in the month of February An official source has told AL-RIYAD that the kingdom has become the pioneer in the world gas market despite the short period in which it has been involved in this sphere. The source has also said that the international gas prices are subject to no factor other than the factor of supply and demand, i.e. gas enters the world market as a purely commercial commodity. On the other hand, the Saudi natural gas liquefication project -- a totally Saudi project -- will begin [operating] in the middle of 1980. This project is tantamount to a very extensive network that covers all parts of the kingdom--a network consisting of giant storage tanks and plants located near the oil fields to gather and liquefy the gas. The source has also pointed out to AL-RIYAD that 90 percent of the natural gas produced by the kingdom's oil fields is no longer flared as it used to be in the past and that this gas will be gathered in the storage tanks built for this purpose. The source described this gas-gathering network as the bigest project [of its kind] in the world--a project costing more than 12 billion dollars. When this project starts operating, the kingdom will be in control of its second most important natural resource after oil and will make full use of this resource. The source also said that a part of the plan consists of laying down pipelines to supply factories and other spheres of industrial production in cities and in areas requiring large quantities of gas. This part of the project is under implementation currently and includes the plans to extend a gas and oil pipeline to the city of Riyadh and another gas and oil pipeline through the central [province] to supply the western [province]. [Text] [Riyadh AL-RIYADH in Arabic 13 Jan 80 pp 1, 19] 8494

CROP PRODUCTION PLANS--Jiddah--Farmers in eastern al-Ahsa [al-Hasa] area of the Kingdom of Saudi Arabia will be able to produce 20 tons of rice and wheat annually in a single hectare of cultivable land. (Lin Ching-Ye), chairman of the technical agricultural Chinese mission in al-Hafuf, has said

that his mission has drawn up for the local farmers a system of crop production that enables them to raise two rice crops and a wheat crop annually in the same cultivable area. With the cultivation of the new type of rice (Hasawi No 1) which has been developed by the mission in addition to the conventional type, it will be possible to get a crop of 9 to 12 tons from a single hectare of land. Considering that both types require a period of 200 days, enough time is left to cultivate a wheat crop producing 8 tons per hectare. At present, the farmers cultivate one type of Hasawi rice which yields 2 to 3 tons per hectare annually. Lin has also announced that his technical mission is planning to implement an expansion program, beginning with 200 farmers. In addition to the rice and wheat crops, the mission has developed the productivity of several crops, such as cabbages, cauliflowers, tomatoes, turnips and garlic, in addition to some high altitude crops. [Text] [Riyadh AL-RIYADH in Arabic 14 Jan 80 p 9] 8494

OCEANIC OBSERVATION HEADQUARTERS--Jiddah--The conference of government commissioners for signing the agreement on the regional oceanic observation center has approved selection of the kingdom as the center's headquarters and as the site for the office of the program's executive director. At the conclusion of its meetings which lasted 9 days, the conference also approved the proposed budget for the program, estimated at one million dollars, to cover the program's needs in the first 4 years. The conference also discussed several topics of benefit to the organization's countries-topics that will lead to safe maritime activities by freighters, fishing boats and oil tankers, as well as safe oil prospecting activities in the Gulf waters. Participating in the meetings of the commissioners were the delegations of the following seven Gulf countries: The kingdom [of Saudi Arabia], Kuwait, Qatar, Bahrain, the Islamic Republic of Iran, the Sultanate of Oman and Iraq. [Text] [Riyadh AL-RIYADH in Arabic 21 Jan 80 p 3] 8494

ISLAMIC SATELLITE STUDY--The Ministry of Information is studying the idea of setting up an Islamic artificial satellite to broadcast Islamic topics to all parts of the Islamic world. AL-RIYAD has learned from an official source at the ministry that the idea is under serious study presently. Coordination will also be established with some government authorities concerned. It is well-known that the Ministry of Information offers numerous services in the sphere of broadcasting to the Islamic world countries.

[Text] [Riyadh AL-RIYADH in Arabic 21 Jan 80 p 3] 8494

RESTRICTIONS ON PROJECT AWARDING—Report by Sulayman al-'Usaymi—A committee has been formed at the Ministry of Agriculture and Water to make a count of the projects being implemented by the ministry and which Saudi contractors can carry out. This has been stated by an official source of the Ministry of Agriculture and Water. The source has added that at present the ministry is awarding all small water projects to national companies and establishments only. This is why the ministry officials have decided to make a count of the projects that Saudi contractors can carry out, followed by a count of those that can be carried out by Saudi contractors in partnership with

foreigners. International companies are not involved in the major projects being implemented by the ministry. The committee is currently drawing up conditions that the Saudi contractor can meet. This contractor can then participate for a certain period of time as a local contractor in implementing projects awarded to international firms. After gaining the necessary experience and demonstrating the ability to carry out major projects implemented by the ministry, this kind of national establishments can take part in the bidding for such projects. [Text] [Riyadh AL-RIYADH in Arabic 27 Jan 80 p 3] 8494

COOPERATION PROTOCOL WITH FRG--The Minister of Finance and National Economy, Sheikh Muhammad Aba Al-Khail, and his W. German counterpart, Mr Ottograf Lambsdorff, last Tuesday evening signed the protocol on the meetings of the Saudi-German Joint Commission held last week in Riyadh. The two ministers also signed an agreement on scientific and technological cooperation and the use of German know-how in these fields. An accord regulating the employment of German experts was signed as well on the same day. Sheikh Aba Al-Khail said the accord regulates the method of employing W. German experts whenever a government department desires to recruit a number of them. It deals with treatment, salaries and supervision of such experts. [Text] [Damman AL-IQTISAD in English Feb 80 p 61]

SAFCO OUTPUT IN 1979--The Saudi Arabian Fertilizers Company (Safco) in 1979 produced 988,988 tons of ammonia, and 298,851 tons of fertilizers, or a 15% increase over production in 1978 when fertilizers output stood at 260,000 tons. The company's sulphuric acid output also rose by 26% in the same period. SAFCO in 1979 sold 20,000 tons of its production in the local market as compared to 12,000 tons in the previous year. It also exported 291,000 tons to several Asian and African countries as well as Yemen. Meanwhile, H.M. King Khaled has agreed to have 100,000 shares owned by the State distributed among the SAFCO employees in appreciation of their efforts during the past three years. [Text] [Damman AL-IQTISAD in English Feb 80 p 61]

AGRICULTURAL LOANS FOR EASTERN PROVINCE—Loans and grants extended by the Agricultural Bank in the Eastern Province during the past six months stood at SR40.5 million. During the same period, the bank gave SR 7 million in loans to new poultry breeding projects, the Acting Director of the bank in the Eastern Province, Sayed Abdul Aziz Abdullah Al-Uwaisseer, has revealed. The bank's branches in Qatif, Hofuf and Hafr Al-Baten in the same period extended 435 loans valued at SF 22.5 million to the region's farmers to help drill artesian wells, secure plants, fertilizers, equipment and motor vehicles required by farms in addition to 100 irrigation engines, 81 water pumps, 12 ploughs and accessories, boats for fishermen and a drilling machine for artisian wells. Grants given by the bank to

obtain machinery and feeds for poultry during the same period stood at SR 11 million. It also distributed 16,570,000 kgs of feeds to poultry breeders, Sayed Al-Uwaisseer said. [Text] [Damman AL-IQTISAD in English Feb 80 p 62]

ASSIR MOUNTAIN ROADS PROJECT--Studies conducted by the Communications Ministry have proved the feasibility of opening and construction of about 13 mountain roads in Assir at an estimated length of 858 kms, the Roads Department Director in the Southern Province (Assir) Sayed Abdul Rahman Saeed Abu Milha has declared. Designs of these roads have been completed and work is already in progress in two of these mountain roads, namely the Sha'ar and Juwa. Work on the Sha'ar mountain road was started in 1937 A.H. (1977) and is expected to be completed in 1402 (1982). It starts at a point 20 kms north of Abha along the Taif highway and leads to Mahayel in Tihama. The first section of this road is 12 kms long and passes through a very difficult mountainous area, and the second is 26.5 kms long and goes through the valley. A third part branches off this road with a length of 9 kms. Costs of the project so far totalled SR 362 million. It serves 80,000 people and has 32 bridges, 11 tunnels and 375 aqueducts. [Text] [Damman AL-IQTISAD in English Feb 80 p 62]

ACCORD WITH SHIPPING LINES--Seven major container operators between Britain and Jeddah have concluded a container agreement to provide a common tariff and rules of carriage for all lines taking part and provide shippers with some form of rate stability. According to "Middle East Transport," the seven signatories to the agreement are Cunard Arabian Middle East Line, Dafra Red Sea Container Line, FOSS Shipping, Andrea Merzario, Scanmel, Sea-Land Service and Seatrain Congulf. The seven lines represent about 80% of the trade along the UK-Jeddah route. The agreement went into effect on August 1. Under the agreement, any line caught undercutting the agreed tariff will face a stiff penalty. It also increased some commodity rates and lowered others. Shippers will have to pay an average of \$50 a box above the old rates according to the new tariff. [rext] [Damman AL IQTISAD in English Jan 80 p 58]

PETROLEUM PRODUCTS WITH FRG--The Minister of Planning, Sheikh Hisham Nazer, has field talks with the W. German Economics Minister Herr Lambsdorf on economic cooperation between Saudi Arabia and West Germany. In a statement to the Saudi Press Agency, Sheikh Nazer said he supports cooperation and launching of joint industrial projects between the Kingdom and Federal Germany in the petroleum fields. "Saudi Arabia endeavors to consolidate her economic cooperation with W. Germany," he said. Sheikh Nazer was on a four-day visit which ended this week. In the course of the visit he also talks with the Bavarian Economics Minister and met with representatives of German industry. On return to Riyadh this week, Sheikh Nazer told the Saudi Press Agency that agreement had been reached to recruit a number of German specialists to contribute to work in various fields in the Kingdom. During the visit to Bonn, Sheikh Nazer explained, he discussed such

topics as international cooperation to combat inflation, currency stabilization, and energy conservation. [Text] [Dammam AL IQTISAD in English Jan 80 pp 61-62]

PROFITS OF SAUDI BANK -- Al Bank Al Saudi Al Fransi realized a net profit of SR 55.4 million during the period between 1-7-1978 and 30-6-1979. Of this amount SR 2 million will be set aside for the Zakat, SR 13.3 for the statutory reserves, and SR 19 million for the general reserve. The remaining SR 20 million will be distributed among stockholders as dividends for the said year, or 15% of the paid up capital. According to the bank's annual report for the said period, the bank's assets on June 30, 1979 totalled SR 5,528 million compared to SR 3,578 million on the corresponding date in 1978. Deposits with the bank amounted to SR 2,121 million compared to SR 1,701 last year. As for loans they rose to SR 1,762 million as compared to SR 1,250 million in the preceding year. During the year under report, the bank opened two branches in Riyadh, a third in Jubail and a fourth in Hofuf. It is planning to open a second branch in Jeddah (at Al-Harthi Center, Palestine Square) and a branch in Medina during the next three months. At its session on December 30, 1978, the bank's general meeting agreed to raise its capital from SR 100 million to SR 200 million by issuing another million shares. [Text] [Damman AL IQTISAD in English Jan 80 p 591

PARTY CONGRESS ISSUES ADMINISTRATIVE, ECONOMIC, POLITICAL RECOMMENDATIONS

Khartoum AL-QUWWAT AL-MUSALLAHAH in Arabic 7 Feb 80 p 4

Article: "At Its Closing Session, the Third National Congress Issues desolutions and Recommendations, Including Some Stressing Its Determination to Achieve Territorial Integrity and Start the Sudan in the Direction of Prosperity and a Shining Future"]

[Text] The third national congress of the Sudanese Socialist Union, presided over by Sudanese Socialist Union President Gen Gaafar Mohamed Nimeire, ended at noon on Saturday 2 February 1980. Foreign Relations Committee Secretary Dr Hasan 'Abidin read the third national congress' closing statement, which included resolutions and recommendations. The statement's introduction expressed the determination of the members of the Socialist Union's third national congress to protect unity, elevate the nation above all divisions and doctrines, confront all challenges, build the nation, and spread prosperity throughout it. The members affirmed that this congress was a new link in confirming and firmly grounding the alliance's authority in leading the national effort to build democracy and achieve popular particitation. A summary of the recommendations and resolutions follows.

First: Organizational and Constitutional Matters

The third national congress issued 24 resolutions and recommendations, including one supporting the president's proposal to reduce membership in the central committee according to Resolution No 61 passed during its third session, in the context of Article 35-1-A of the constitution. The congress also suggested conducting studies of the central committee's election of delegates from the provinces according to the regions and population densities, in order to link together the organization's agencies.

The congress also emphasized that expanding the organization's basis requires us to make a greater effort to achieve unity of thought and revolutionize it.

The congress also suggested the need to guide the organization's political activity in places of production and services, and to work to create organizational awareness within production sectors.

The congress also suggested intensifying the quality and the leadership of local popular government organizations, and integrating them with the organization.

The congress also recommended that political promotion be an indispensible incentive for those who volunteer and exert greater efforts, to be given to capable, qualified cadres.

It also stressed the need for the cadres to devote themselves to working within the political organization according to the requirements and general rules of work.

The congress expressed its appreciation of the role which the regional people's assemble and the People's Assembly is playing in firmly establishing the bases of freedom and democracy, in order to codify revolutionary work in the context of the law, the constitution, the mass will and national unity. The congress expressed its view that the two assemblies are proficiently playing their part in approving the laws and legislation passed by the regional government.

The congress also stressed the part which the Peopls's Assembly is playing, along with the Egyptian People's Assembly, in concentrating efforts, laying the framework for integration policies, and promoting and embodying the accomplishments for the good of both peoples.

The congress also stressed the need for the sovereignty of the law and for the enactment of laws needed to protect national life from the flaws of independence and from corruption.

The congress also praised the popular government's achievement in transferring authority to the masses, achieving a greater degree of democracy, and
affirming the role of the executive system. It also praised the decision to
reduce the size of some ministries and transfer their powers to the masses,
and suggested intensifying the education and training of functioning
cadres as well as the steps the executive agencies are taking to establish
field ministerial committees. The congress also affirmed its support for
the activities of the National Council for Friendship, Solidarity and
Peace in firmly grounding the foundations of freedom and solidarity against
racial discrimination and Zionism.

Second: Political Matters

The congress expressed its esteem for the president's speech, which expressed the journey's difficulties and the negative aspects of accomplishing the task, and which presented the tasks and duties of the coming stage, making rising production and upright men its pivot. The congress emphasized the need to adhere to the standards set by the speech for testing the characters of men and choosing those most capable of bearing responsible, as well as those of religious, upright, noble and virtuous character.

The congress emphasized that the revolution has sternly adhered to its patriotic goals of firmly establishing the pillars of national welfare and liberating the national economy.

The congress also stressed that national unity is the revolution's tool for building the nation and realizing security and stability for it, and that the national good is one of the revolution's great accomplishments. The congress also denounced erroneous practices based on forming blocs and giving preference to personal status over the public good, as manifested in its most repulsive form by the conduct and practices of some people in Khartoum Province.

The congress also referred to following the Islamic way as outlined by the president, and expressed the need for each political, executive, educational and judicial agency to be bound by its goals and purposes.

The congress also praised the face-to-face meetings which the president has held with political, executive and popular agencies, and his following-up their results as an incentive for production and better performance.

The congress suggested prompt codification of the Socialist Union's relationship with journalistic circles, and recommended providing them with press and commercial production necessities. The congress also recommended supporting the provincial information and culture offices, and suggested that the ministries and administrations establish information offices.

The congress stressed the importance of intensifying efforts to implement the cultural action strategy, sponsor writing and publishing activity, develop the arts and literature, and encourage outstanding artists.

The congress also stressed the need to give political impetus to the literacy movement as a central support for development, praised the role of parent-teacher councils, and recommended their support. The congress also recommended implementing the strategy for training the leaderships of the political organization and mass and youth organizations in order to ensure unity of thought.

The congress suggested that concern be given to the youth sector, to organizing the Sudanese Youth Federation and expanding it by getting students to join it, and to unifying the agencies working in this area.

It also suggested that the central committee draw up a framework for strengthening and supporting women's presence within the organization.

The congress also praised the role of the people's armed forces and the regular armed forces in protecting the nation and the revolution and safe-guarding independence. The congress recommended greater concern for social work relating to the families of martyrs, looking after them, and helping the disabled and the retired.

The congress implored the members of youth and mass organizations, and other capable citizens, to join the ranks of the national labor program, popular and civil defense, and the people's police.

It also recommended giving greater concern to strengthening public and private security services in border regions and areas where clashes over grazing lands and water sources break out. The congress also praised the role of the pastoral sector and its concern for animal production, and advised the central committee to finish establishing herdmen federations.

The congress appreciates the efforts which were made at the conference of alliance village organizations, and recommends that the political bureau pay attention to its recommendations and place them under study.

Third: Foreign Policy

The congress praised the foreign policy accomplishments, which adhered to the revolution's principles and goals. It supported the Sudan's support for the Palestinian people, and praised the Sudan's support for and role in Arab-African solidarity. The congress also praised the solidarity and cooperation programs and agreements with fraternal Arab states and friendly nations, the Sudan's role in Arab solidarity, and the joint working role of the Sudanese and Egyptian people in all spheres.

The congress also praised the Sudan's support for African liberation movements and the awakening continent's struggle for liberation and progress. The congress also seized this opportunity to praise the struggle and sacrifices of the Zimbabwean people, affirm that it stands alongside Namibia and South Africa, and stress its determination to provide aid and support for them in their bitter struggle against colonialism and racism.

The congress also praised the role of the Sudan and its leader in the African sphere during his presidency over the OAU, as well as the president's role in the commission of African rulers formed to settle the West Sahara dispute.

The congress expressed its pride in the Sudan's constructive role in reconciling the various Chadean parties, so as to achieve peace and stability for fraternal Chad, and looked forward to the establishment of national unity in Chad.

The congress also praised the Sudan's efforts to establish good neighbor relations with neighboring states, and welcomed the continuing progress in the Sudan's relations with neighboring Ethiopia and the president's initiative to find an immediate solution to the problems between the two countries.

The congress praised the role of the Cudan and its leaders in mediating and achieving positive reconciliation among the conflicting parties of the non-aligned movement, and emphasized this group's role in firmly establishing

the pillars of world peace and international cooperation and confronting the struggle of the superpowers.

The congress denounced and deplored the Soviet aggression against Afghanistan, and demanded the immediate withdrawal of the invading forces. It confirmed its firm stand rejecting all forms of expansionism, hegemony, international oppression and terrorism, and seized this opportunity to salute the Islamic conference which just ended in Islamabad and to announce its support for its resolutions.

The congress suggested greater concern and attention to foreign information, and to revitalizing the diplomatic missions' activity in elucidating the Sudan's stands and foreign policy trends.

The congress supported the joint foreign activity of our political, constitutional, executive and popular organizations, and praised the positive results of the contacts made by the Socialist Union and its mass and youth organizations and the achievements of the National Council for Friendship, Solidarity and Peace and the People's Assembly foreign affairs committee.

The congress saluted the Sudanese Socialist Union's overseas branches, the branches of the youth federation, the organizations in Sudanese overseas colonies, and their representatives who came to participate in this congress. It expressed concern over the issues, observations and proposals pertaining to Sudanese expatriates which these representatives brought up.

The congress advised that the necessary steps for solving their problems be taken, within the context of available resources.

It also suggested prompt establishment of a special bureau for Sudanese expatriates within the foreign relations committee of the Socialist Union's general secretariat.

The congress reviewed the refugee problem and its resultant economic, social, and security effects on the life of the citizens, desiring to reconcile the problem's urgent human requirements and preserve our people's stability and security.

The congress called on the masses of our people to maintain a spirit of harmony and tolerance towards the refugees, in compliance with international charters. It welcomed the establishment of a supreme national committee to aid the refugees, and appealed to the masses of our people to assist our efforts to attract aid for them, on the occasion of the Sudan's Year of the Refugees.

The congress thanked and saluted the delegations of fraternal nations for their brotherly relations.

Fourth: Economic and Social Affairs

The congress' discussions emphasized that our national economy is affected by the variables and negative aspects of the world economy, the inflation which has hit it, and its repercussions such as the headlong rise in prices of energy and basic consumer goods. The congress has followed the efforts being made to prrect deficiencies by the fiscal reform and economic concentration program and the three-year investment program, and the remarkable progress this program has made in correcting the course of the nation! economy by controlling materials, guiding investment in order to break existing bottlenecks in the fields of transport and energy, and fighting inflation and scarcity. The congress called for confronting these problemwith big solutions, boldness, and national responsibility. It praised the foreign aid and resources which the country has received, which have assisted the payments budget and facilitated continuation of the development program. The congress stressed that correcting our economic course can only be achieved through greater self-reliance and the creation of a suitable climate and the organizations needed to absorb the savings which have been made and direct them towards more construction and corelopment, instead of relying on deficit financing from the banking system. The congress also praised the coordination which has been achieved by the ministerial economic committee, and the resolutions it has issued, such as lifting restrictions from dealing in foreign currencies, liberating foreign trade, providing revenues needed to import essential commodities, guiding the banking system's credit policy and directing it towards serving production and export, limiting public expensed, opening new hospitable horizons for those who have the ability and imagination to come up with new methods, and attracting additional revenues to achieve the required equilibrium. The congress praised what has been accomplished through the short-term program for meeting the public's basic needs and providing the necessary revenues for eliminating bottlenecks. The congress expressed its pleasure at the volume of investment which has been achieved in the various development fields and in infrastructures such as energy, roads, bridges, canals, and means of communications, as well as the self-sufficiency projects which have been carried out.

In light of the foregoing,

- 1. The congress stresses the need to continue with the fiscal reform and economic concentration program, in order to restore domestic and foreign equilibrium by controlling financial revenues and directing investment in order to eliminate bottlenecks in production and in infrastructures.
- 2. The congress supports the new fiscal and monetary policies, and suggests that they be strengthened so as to achieve their goals: development, control of financial resources, and the guiding of their utilization so as to meet the needs of the public and of development.
- 3. The congress supports the program of the ministerial economic sector committee and the measures it has adopted to limit domestic and foreign government expenses, guide the savings and credit policy, control the rate of issuing circulating currency, and provide more economic freedom.

- 4. The congress advises that concern be given to the returns from our national exports, by working to increase their volume and develop ways of marketing them.
- 5. The congress recommends that the employment policy be reviewed so as to ensure that overhiring in public service and unemployment will be dealt with, and so as to achieve a balance between the labor force and labor factors.
- 6. The congress suggests that emigration and loaning workers be regulated so as to achieve a balance between our personnel and expertise requirements and our aid to brothers and friends.
- 7. The congress suggests that a well-planned tax policy be formulated which will place the greatest burden on those groups best able to bear it, and which will support economic and investment activity and limit tax evasion.
- 8. The congress recommends that a national energy program, aimed at guiding consumption and limiting waste, be drawn up.
- 9. The congress advises a nation-wide development and enlightenment of the accounting system.
- 10. The congress recommends that concern be given to population and resource statistics, and that the agencies concerned with these matters be strengthened.
- 11. The congress suggests that the use of the nation's land and natural resources be planned on the national level.
- 12. The congress recommends that efforts to strengthen the popular cooperation movement be continued.
- 13. The congress suggests that attention be given to the tourism sector, and that it be strengthened as a source of foreign currency.
- 14. The congress suggests that the educational policy be reviewed and oriented towards serving the purposes of the present stage, by concentrating on technical education and professional training.
- 15. The congress stresses the need for concern for spiritual and patriotic education and for deepening and firmly rooting religious values and stead-fastness.
- 16. The congress suggests that an increased role be given Sudanese women in educating and raising the new generation, guiding consumption and literacy programs, and participating in production.
- 17. The congress praises the accomplishments of the national program to combat drought.

18. The congress suggests that the quantitative goals of the six-year plan for development sectors be reviewed, to bring them that line with the national economy's actual situation and the requirements of the phase through which it is passing, and to direct investment towards completing projects under construction, to concentrate on vertical development, and to make use of unemployed labor on industrial and agricultural projects, as well as continuing to support and expand infrastructure projects especially in the fields of transport, storage and energy. Attention should be given to mineral resources and energy sources, and to local and regional development. Investment should be oriented towards providing food for the people, there should be continued concentration on social services, and private and foreign investment should be encouraged to participate in achieving the goals set down in the six-year plan.

Finally, with respect to regional government, the congress supports the recommendations of the national and technical committee for regional government, in the fields of legislative, administrative, executive, financial and economic affairs. The congress stresses the need to establish regional government, inasmuch as it is an essential way to lay the foundations for democracy and achieve greater public participation and growth.

OMANI OPPOSITION LEADER SCORES REGIME, U.S.

London AL-DUSTUR in Arabic 11-17 Feb 80 pp 20-21

[Interview with 'Abd al-'Aziz al-Qadi, Chairman of the Executive Committee of the Popular Front for the Liberation of Oman--PFLO: "What Happened in Iran will Not Be Repeated in Oman"; Interview Conducted in an Unidentified Arab Capital, Date Not Given]

[Text] [Question] In the flurry of events in the Gulf and Arabian Peninsula region, Oman has singularly established special relationships with the United States. What is the status of the American-Omani relations and how far can they develop?

[Answer] The fast and qualitative development of relations between the United States and Oman emerged after two important events: the triumph of the Iranian revolution and the signing of the Camp David accords. Of the Arab countries of the Gulf region, Oman has been most affected by those two events thus far. In the light of the so-called "vacuum" produced by the downfall of the shah, on the one hand, and the new offensive strategy mounted by the United States after the signing of the Camp David accords, on the other, the sultanate assumed a specially important and prominent place in the totality of the imperialist.

American-Zionist-Sadatist masterplan in the region of the Gulf and the southern Peninsula. For about a year or a little more than a year now, the sultanate is being converted into an advance base of imperialism in the Gulf and southern Peninsula area and a focal point and springboard for the aggressive American designs against this region. The pronouncements and statements made by the United States threatening direct intervention in the affairs of the region under such slogans as "protection of oil sources" have become notorious and recurrent. All signals indicate that the sultanate has been selected by the Americans and their allies to be the bridgehead when those designs and threats are carried out.

American Fulcrum

During the last 18 months, three big arms deals were concluded between

America and the Muscat regime, not to mention the American grants of arms to the regime. With each deal or shipment, the United States would send tens of American military commanders, advisers and experts. The role of those Americans is not confined to the training of Omanis on new weapons but goes far beyond that to include military, political and intelligence functions. In return, work has been going on for about two years not to develop and expand the strategic island of Masirah which used to be a limited British air and naval base. It is now a joint British-American base. According to our assessments, it will eventually become an exclusively American air and naval base with a wide-ranging strategic striking capability, as an integral part of the total United States strategy in the Peninsula, Gulf and the Indian Ocean.

Work is proceeding rapidly on this island to widen the existing runways, build new runways, hangars and underground depots and modernize and expand the port and naval facilities etc. According to our assessments too, the vast expansion of that base is connected with the formation of the so-called Fifth Fleet for which the Marirah base will definitely be a port of call and a regrouping, supply and launching point.

On a different level, economic relations between the Muscat regime and the United States are developing rapidly. Most of the companies, bands and investments in the sultanate are American. And although political and administrative control of the sultanante's affairs is in British hands, the Americans now exercise greater control on the country's economy. Their economic interests are growing.

Beyond that, the sultanate has been playing the role of the advocate and preacher of an American military presence in the region, especially after the downfall of the shah's regime. On more than one occasion, Qabus and his foreign minister have empressed readiness to accept American military presence and bases on its soil and in its waters. Prior to that, the sultanate had expressed its willingness to house the huge American spying stations which existed in Iran before the triumph of the revolution and the collapse of the smah's regime. Recently, we have had a chance to hear and follow up the invitation extended by Qabus to the states of the Gulf region to establish a new security pact involving all the states of the region in addition to America, Britain and West Germany. The invitation is in essence an American idea meant to test reactions and responses, on the one hand, and on the other to revive the security setup in the Gulf which had collapsed with the collapse of the shah's regime.

[Question] In the Omani society, religious and tribal relationships are intertwined with political relationships and conflicts. How would you describe the mosaic of present conflict in Oman? Is it possible for a politicized religious movement to emerge?

[Answer] The majority of the sultanate's population belongs to the "Abadi" sect, which is also the sect to which the royal family belongs. There is

also a large percentage of Sunnis, who together with a very small percentage of Shi'ites and other small non-Muslim minorities of non-Arab descent, make up the rest of the population. Those minorities are entirely located in the capital area of Muscat and in (Matrah), and most of them are engaged in trade.

Generally speaking, the religious movement in our country does not play thus far a prominent and perceptible role in the country's political life or in the political movement of the Omani masses, especially after the retreat of the 1956-59 imamate revolution. We do not also expect that the role played by Islam in the Iranian revolution will be repeated in Oman. Such a prospect is not possible, at least not in the foreseen and somewhat distant future. It may even be entirely out of the question. The religious movement or religious men in our country do not have a tradition or a history of struggle against colonialism and oppression, nor do they have a wide influence on the daily lives of people. In addition, they are not as politicized as the men of religion in Iran are. Beyond all that, many of the men of religion in our country, especially the leading ulema, avoid and abhore discussion of and thinking about political problems, either out of fear or of conviction that this is none of their business but falls within the purview of politicians and statesmen only.

In short, the ulema in our country are far less advanced in questions of politics, culture and struggle than the ulema of Iran. And although the positions, policies and practices of the ruling royal family are inconsistant with the spirit, traditions and norms of Islam—a fact recognized and felt daily by the masses of our people, the problem remains one of the lack of true, stronghearted and struggling religious leadership.

There is another factor which makes us exclude the possibility that a politicized, wide-based religious movement would emerge in our country. This is the presence of an armed revolution led by the PFLO which has been engaged in struggle for 14 years now and which has struck deep roots among the Omani masses and established itself as a struggling political vanguard with a clear national, democratic line. There is then no lack of a "revolutionary medium" as far as the Omani masses are concerned, although this medium is in need of strengthening and of action designed to correct some errors in its past experience.

Tribalism is far more influential than the religious movement and the religious ulema on the daily lives of people in Oman. Since 1970 in particular, the regime has been fervently seeking to win over the tribal chieftains through various means of temptation and threats. It has also sought to deepen tribal scisms and differences and established so-called "national tribal teams" in the Dhofar area. All these indicators demonstrate the awareness of the regime and its masters of the importance of tribalism and the tribal system and of the need to exploit this system to their advantage. Despite this, there are many tribal leaders and dignitaries who do not

support the regime and its foreign masters but side with the revolution. The overwhelming majority of tribesmen are with the revolution either actively or in their sympathies and emotions, at least.

in the light of the characteristics of Oman, we feel that if the revolution is to advance and triumph it must pay serious attention to the tribes, examine their conditions, take care of their problems and instill national political awareness in the tribal system and tribal movement.

The nature of the political and economic system in the "sultanate" of Oman provides ample opportunity for the establishment of broad national alliances among the various social classes and groups in the country. Among the prominent features of that system are the actual foreign military presence in Oman, the individualistic and despotic nature of the regime which fights and suppresses any form of freedom and a liberal, democratic life and a foreign policy fully committed to imperialist forces and their designs in the region. An increase in the level of foreign presence and interference in our country is matched by an increase in the pace of autocratic oppression and police rule. But as the regime's acts of national and nationalist treason increase, the social base of the revolution expands and becomes necessarily broader.

Accordingly and in the light of all political developments within the homeland and outside it, the PFLO raises three basic goals as a minimum requirement in the present phase of the revolution and as a political common denominator for the broadest alliance of national classes, groups, forces and personalities in our country. These goals are:

1-- To oust foreign forces and bases of all kinds and nationalities from our country.

2-- To secure public freedoms, including the release of all political detainees.

3--To institute a neutral foreign policy which is, however, in solidarity with the issues of our Arab nation, primarily the Palestine question.

Those three goals, we believe, represent the demands and aspirations of all the Omani people and all their classes and groups, with the exception of limited groups of big businessmen and landlords whose interests are fully wedded to the foreign presence and system. The PFLO has set forth those goals as basic objectives of its struggle and as a political program for the struggle and alliance of all the national classes, groups and personalities, including tribal leaders, men of religion, nationalists and democrats in Oman.

The Revolution's Crisis One of Alliances

[Question] The unity of the national forces in the Peninsula and the Gulf

is one of the concerns of the opposition forces in the region. Oman has historically played a pioneering role in influencing events in the region. What is the status of relations among the opposition forces? What is the PFLO's role in this regard and what, in your view, should be the proper form of the relationship among those forces?

[Answer] We believe that the present relations among the various sectors of the national movement in the Peninsula and the Gulf are not up to standard, especially in the face of the growingly vicious offensive of imperialist, primarily American, designs in this sensitive area. This onslaught and those designs have now reached the level of direct military interference through the establishment of bases, the landing of troops and the intensive naval presence in the region.

We feel that the region is heading for a hot period and colossal events, either because of the developments and repercussions of the Iranian reclution which push the region toward a greater collision with the imperialist interests and presence, or because of the growing proliferation of the political movement among the masses whose national and democratic demands are clearly defined, or because of the present strategy of imperialism and the nature of the hostile onslaught produced by the Camp David accords and the new military alliance in the Middle East.

One of the ironies and anomalies in this region which is secthing with events and developments is that the spontaneous political movement among the masses is evincing an obvious and growing state of restiveness and impatience, while the organized political forces or the organizing instruments of struggle have still not risen to the level of events, largely incapacitated by their maladies and side squabbles.

Undoubtedly, one of the factor which have greatly contributed to this state of unpreparedness among the organized political forces is that they were not adequately and properly organized, that they had not organized their activities in the field in a manner which would match the degree of unity and coordination among the hostile forces.

W. in the PFLO are among the forces which feel culpable in this regard because of our shortcomings, despite the fact that our revolution has extraordinary and specific characteristics and circumstances and faces several tasks and difficulties at home.

I believe that what is required of us all as national forces operating in the arena of the Gulf and the Peninsula is to work out, as a minimum, a clear-cut, well-defined common program and to establish a set of regulations and disciplinary guidelines regulating relations among the various forces and a joint leadership which would follow up and direct the common issues. In this manner, we can be more responsive to events and more capable of rising up to their level, thereby establishing one of the necessary factors and conditions for defeating the imperialist American onslaught on our region and the overall imperialist-Zionist-reactionary masterplan in this critical arena.

167

STRENGTHS, WEAKNESSES OF ARMY ANALYZED

Paris AL-NAHAR AL-'ARABI WA AL-DUWALI in Arabic 28 Jan-3 Feb 80 pp 34-35

[Article by Tawfiq Nakhlah Ibrahim: "Syria: the Strongest Country Against Israel with 99 Percent of Its Weapons Soviet Made and Highest Rate of Military Conscription Among Arab Countires"]

[Text] After Camp David, attention is turning to the Syrian army as the largest and the strongest army against Israel. What are its advantages, and what grievances does it have?

Ever since the inception of its armed forces in 1946 Syria has been making a huge and a continuous military effort. Today it has become the Arab country with the highest ratio of military conscription: there are 30 soldiers for every 1,000 citizens. (In Iraq the ratio is 16 soldiers per thousand citizens; in Libya it is 11 per 1,000; and in Egypt, 9 per 1,000).

There are 227,500 men in the Syrian army. The mandatory period for military service is 30 months, and the cost for the army and the police forces is one fourth of the national budget. After the Egyptian-Israeli agreement the Syrian armed forces became Israel's only opponent of consequence. These forces did prove their combat efficiency in the 1973 October War. Syria, therefore, is gaining the financial support of the oil countries. According to the Baghdad Agreements Syria received in 1979 aid amounting to 1.45 billion dollars. Saudi Arabia meanwhile pledged it would pay 450 million dollars.

Ninety-nine percent of the huge war materiel of the Syrian military force is made by the Soviet Union. Syria [accomplished this] without having a friendship agreement with the Soviet Union. In fact, Syria did succeed in avoiding a heavy Soviet presence of "advisers" (3,500 advisers) on its territory. Syria also avoided the establishment of Soviet naval bases on its shores. And this did not preclude Soviet political support for Syria, nor did it clear the climate of relations between the two countries from occasional "misunderstandings" similar to what happened before President al-Asad's recent visit to Moscow last October. But such misunderstandings do not have long-term negative implications. On its part, Syria is playing its role in supporting Moscow: it was the only Arab country in the area (with the exception of South Yemen) that supported Soviet intervention in Afghanistan.

The Navy Is Modest

The Syrian armed forces have an armored corps (about 2,700 tanks) and an air force (395 airplanes) that is supplemented by an anti-aircraft missile defense system. The navy, however, remains a modest branch of the armed forces.

The weaknesses of the Syrian army are similar to those of all the armies that are equipped with Soviet materiel alone: radar guidance systems for missiles are not very accurate. This is a very sensitive point in the air force which suffered many losses because of [this flaw] during its recent clashes with the Israeli air force over Lebanon. Syria is, therefore, striving to stop this gap by supplying itself with European-made radar materiel. It acquired French and German made Milan and Haute missiles to complete the anti-tank missile systems that it had acquired from the Soviets.

The Syrian navy lists 200,000 men who are divided between two armored divisions. Each one of these divisions has two armored battalions, one motorized battalion and three motorized divisions. Each one of these divisions has one armored battalion; two motorized battalions; three fully armored battalions; one motorized battalion; three infantry battalions; two artillery battalions; six commando units; four parachutists; one tactical support missile unit, "SCUD;" two surface-to-surface "FRUC" missile batteries; and finally, 48 SAM 2, 3, 6, 7, 8 and 9 anti-aircraft missile batteries.

Although the Syrian armored forces abve some old tanks (200 T-34 tanks), they are in general modern and effective. These armored vehicles demonstrated their efficiency in 1973 when they rolled on the rocky cuffaces of the Golan Heights and penetrated the fortified Israeli defense lines. The backbone of the armored forces consists of 800 T-62, T-65 and T-72 tanks. The larger portion of the armored division consists of 1,500 T-54 and T-55 tanks. If a T-62 tank weighs 37.5 tons and travels at a speed of 55 kilometers per hour, a T-72 tank weighs 40 tons and travels at a speed of 80 kilometers per hour. This small comparison gives one an idea of the progress and the modernization [processes] that Syrian army material are undergoing. In fact, Damascus had an exceptional opportunity to acquire T-72 tanks even though some countries of the Warsaw Pact did not.

The T-72 tank which may become in the next 5 years the basis of the Syrian armored force, is characterized by an amazing feature. It is equipped with an automatically chargeable 125 millimeter gun, and it is fortified against penetrating missiles. The T-72 runs on a diesel engine and is unlike any other tank in the West but the British Centurion and the German Leopard-2. It is, however, much faster than these two. The T-62 and the T-54 tanks suffer from the absence of an automatic loading device; they can fire only five shots per minute.

The Syrian armored force is complemented by a number of light amphibious PT-76 tanks. But the combat capability of these tanks is limited because the thickness of their armor does not exceed 11 millimeters. In addition, they are equipped with 76 millimeter guns. This kind of tanks is used for reconnaissance mi sions.

The Syrian army has 1,600 BTR (40-50-60-152), BMP and OT-64 armored vehicles to transport infantry troops. The BMP armored vehicle is equipped with a 73 millimeter gun and with an anti-tank AT-3 "SAGGER" missile launcher. It can accommodate eight infantry soldiers and can carry out complete amphibious missions. The 1973 war also revealed that these vehicles are impaired when they are pitched against a strong defense. This means that they are not equipped, like all other vehicles of this kind, for battles on the front.

Inventory from Lebanon

Syrian artillery is principally comprised of 800 guns: 122 and 180 millimeter howitzers; 122 and 152 millimeter self-propelled artillery; 75 SU-100 offensive artillery, 140 and 240 millimeter (Stalin Argonne) missile batteries; and different caliber Hawn guns. The anti-tank Soviet missiles that are used by the Syrians are "SAGGER" missiles, "SNAPPER" missiles and "SWATTER" missiles. They have a range of between 2,000 and 3,000 meters. To complete its set of missiles Syria acquired the German and French made (Milan) and (Haute) missiles. It also acquired French (Gazelle) patrol vessels.

In their anti-aircraft defense Syrian troops use a large number of anti-aircraft ZSU-57-2 guns. This is a twin cylinder 57 millimeter gun whose missiles can penetrate an armored [surface] that is 106 millimeters thick at a distance of 500 meters. But these guns lack radar to pinpoint the targets. Syrian forces also have quad-4 23 millimeter ZSU-23-4 guns. Americans call these guns sewing machines because they fire 1,000 shots per minute and have a range of 2,000 meters. They are equipped with radar to detect the targets and to guide the firing. The conventional anti-aircraft artillery is supported by anti-aircraft SAM missiles.

The SAM-6 missiles which are placed in sets of three on the PT-76 armored vehicle proved to be very effective against Israeli fighters during the 1973 War. These missiles pursue their targets by means of continuous wave radar. In 1973 neither Israel nor the West had suitable scrambling devices against these missiles. The SAM-8 missiles are equal to the short range French-German (Roland) missile. The SAM-9 missiles also concentrate on amphibious vehicles. It is noteworthy that Syria stationed SAM batteries and radar systems in Lebanon to detect the activities of the Israeli air force and to defend its forces there against any attack.

The MIG-27 Soon

There are 25,000 men and 395 combat airplanes in the Syrian air force. The Syrian air force has 220 old MIG-21 (1957) fighter airplanes and 50 MIG-23 airplanes. These are equipped with air to air IA-7 missiles; with air to land IS-7 missiles; or with air to air IA-8 missiles. They are also equipped with a triple 23 millimeter (Gatling) gun. The MIG-23 airplane is faster and better equipped than the MIG-21. It can oppose the Israeli F-15 Phantom. The MIG-25 airplanes, of which Syria acquired 12 airplanes, are more awesome. They can fly at a speed of 3,380 kilometers per hour and can soar to an altitude of 25,000 meters. They are equipped with air to air (AKRID) missiles that are

guided by radar and infra-red rays. By the end of 1980 Syria may acquire a number of MIG-27 airplanes, which have more electronic equipment.

To strengthen its land units the Syrian air force has 80 MIG-17 airplanes and 50 Sukhoi-7 airplanes. It has Antynor-24's and 26's to transport soldiers. Syria acquired 15 Super (Frelon) patrol vessels from France and war materiel worth 100 million pounds sterling from Britain.

The largest ships of the Syrian navy are Soviet-made Petyas. They are equipped with torpedo launchers and with four 76 millimeter anti-aircraft guns. The rest of the navy units are "OSA" (165 tons) rocket launchers equipped with four "STYX" or SSN-2 infra-red rockets. These units are designated for defending the ports of Lotakia, Tartus and Baniyas. These have always been principal targets of the strong Israeli navy.

Syria, which has recently begun purchasing weapons from Europe, thanks to the liquid funds it obtained from some Arab countries, does not intend to change its arms supplier. It is the Soviet Union only that can at present give Syria the means by which it can achieve its goal: victory over Israel. Because Syria may be the only one in the battle with Israel, it did obtain a major increase in Soviet arms supplies. But western experts believe that Syria is not prepared at present to embark upon a comprehensive war against Israel that would give it adequate opportunities to achieve victory.

BRIEFS

MOROCCAN STATEMENT ON POLISARIO--Morocco confirmed on 17 March the clashes which took place recently in the southern part of Morocco and which were announced by the POLISARIO Front (LE MONDE of 18 March). The official communique issued in Rabat did not provide specific results of the operations. It stated that "thorough search and mopping up" operations were held in the Oued Tighzert area and on the main road from Ngueb to Zak "with a view to the destruction of the hiding places in which the mercenaries have infiltrated. The royal airforce intervened during these combats destroying a large amount of enemy material composed of dozens of artillery pieces and vehicles," the communique stated. It went on to say: "Operations are continuing without respite so as to pursue the survivors fleeing to their lines of departure." [Text] [Paris LE MONDE in French 19 Mar 80 p 5]

AMERICAN-SOVIET CONFRONTATION BUILDING IN MIDDLE EAST

London AL-HAWADITH in Arabic 15 Feb 80 p 19

[Article by Farid al-Khatib: "A Game of Chess and Poker in San'a Between Moscow and Washington"]

[Text] When the United States announced that it intended to look for military bases and facilities in the Horn of Africa and the areas near to the Middle East in Africa and Asia, Moscow was impelled to increase its military presence in Ethiopia and South Yemen. There is now in progress between the two big powers a race which is unprecedented for the area. Each side is assembling its supporters and allies to its side in a show of force that will have a serious impact on the overall situation in the area.

The United States is putting heavy pressure on Somalia for the naval port of Berera and to agree on air facilities for American aircraft. The Soviet Union does not need to apply pressure on Ethiopia and South Yemen because it has a military presence there; it is only increasing this presence.

The real struggle is going on in North Yemen. Who will win it over first and who will get a foothold there? Will one of the two countries succeed or will both in fact fail with North Yemen maintaining a neutrality in line with the positions of the Arabian Peninsula which reject both military influences, Russian and American alike?

The little information coming out of San'a indicates that the president of the republic, 'Ali 'Abdullah Salih, is currently engaging in negotiations with certain Marxist forces in North Yemen to make a cabinet change whereby he would bring in two ministers representing the leftist forces in "the Democratic National Front." However, the sources of this information stress the news that the two Marxist ministers would receive the portfolios of electricity and water and sewers.

If this information is true, San'a will have begun by giving Moscow the first installment of the cost of the arms North Yemen purchased from the Soviet Union recently. These arms include Mig-21 aircraft and tanks along

with Northwan promise that Nan's will receive Nig-23 aircraft "at the appropriate lime;" add when the Soviet arms come to the country, Soviet experts will come with them.

Here is where a dispute arose: Will the experts be Soviets or Egyptians? Isan's wants the experts to be Soviets. So that the government of President 'All 'Addullat Salih will not be put in an embarrassing position vis-a-vis the arabs and Muslims because of their current stand toward the Soviets because of their invasion of Afghanistan, some Arab governments have asked that the experts be from Iraq so as to represent a neutrality between the two camps at this stage.

San's held to its position, the Soviet experts arrived and America was very upset, viewing the arrival of Soviet arms accompanied by military experts as a stab in Washington's back by San's because America had ment \$390 million worth of American arms to North Yemen, Saudi Arabia having borne the entire cost. The deal with America included F-5 aircraft and light arms.

Yemeni sources of information say that the government of President 'Ali Salih took this position because Yemen's dealings with America was by way of Saudi Arabia and 'Ali Salih would have preferred to deal with Washington directly. This reason is illogical because the Saudi financial aid is bearing [apparent omission] cost of arms of the Soviet Union without going through Damascus. So, the reason goes deeper than that.

the question which Arab sources raise is: Why did North Yemen refuse Iraqi instructors; is it coming under from Aden and Moscow? Iraq has not been remiss with San'a having given it \$300 million in aid for the 5-year plan. There is a Ba'th party in North Yemen with links to Baghdad and experts had thought that the Yemeni Ba'thists would enter "the Democratic National Front," the front which includes the major forces and parties in the opposition. However, President 'Ali Salih did not bring them in and the Ba'thists stayed in "the Mational Grouping" along with some military and tribal personalities.

Many Arab countries are unhappy with what is going on in North Yemen as it has turned toward an alliance with the Soviets and is hurrying to request steps toward unification with South Yemen to establish a unified Yemeni state. Information states tha. "Ali Salih would be its head of state while the President of the Republic of Aden, 'Abd-al-Fattah Isma'il, would assume the secretaryship of its Marxist-Leninist party. Are the Arabs facing another Afghanistan in the south or are events rushing toward a new coup in San's with this country then moving to the right?

As of this moment no one knows. The game is a very serious one. The Soviets are still reinforcing their weapons in Aden and increasing the number of their experts in South Yemen. Information indicates that they are currently building a new naval base and this is what the Soviets are doing in Ethiopia.

The spread of the Soviets is not confined to this area alone but extends on to Libya, according to political sources in Eastern Europe. These sources say that a large number of Soviet experts are assembling on Libya's eastern border facing the Egyptian border, this at a time when President al-Sadat is expelling the last Soviet expert from Egypt. He announced in his speech before the People's Assembly that the rest of the Soviet experts in the naval arsenal and factories in Egypt were being expelled, their number being estimated at 200 experts, in addition to the reduction of the number of the staff of the Soviet embassy in Cairo to seven persons after it had been 50.

What is really happening between the two Yemens and where does the Soviet Union stand on that?

Soviet sources in the Middle East say that the Yemeni people are the poorest of the Arab peoples and the most capable of fighting in the Gulf and the peninsula. If Moscow succeeds in the foothold it has planted in Aden and then in North Yemen, it will be able to look down at all the sources of Arab oil. Moscow's objective is not to control the sources of oil now but it is making plans for the next 5 years. It will have been able [apparent omission] the two Yemens "and when Israel starts a war against Syria, the Soviets will intervene directly to compensate for Egypt's military strength and Soviet influence will reach the north via Syraa and the south via the two Yemens and then America, let's have a new Yalta," according to French sources, a Yalta which would include oil and also the Middle East crisis.

According to our information, it is a chess game and a poker game. The Kremlin is playing chess and the White House is playing poker. Washington feels that the Soviets are getting their share of "oil dollars" through arms deals with Iraq, Libya and Syria and Moscow has nothing to sell the Arabs in the event of peace. Therefore, it is working to keep situations in the Middle East critical, inspired by the game of chess where it would move one piece behind the other, nibbling all away in the end.

Moscow says that America is putting pressure on the countries of the area to turn them back to the policy of alliances which the United States pursued in the 50's. The military activity America is undertaking in the Middle East has no counterpart in its history since the battle of Pearl Harbor in World War II. It is like a poker player who is showing all his cards at once.

So traditional Arab neutrality is being lost between Moscow and Washington, possibly taking with it the policy of nonalinement and the oil of the Middle East which had been a pleasure but which has become an affliction that has impelled Moscow and Washington toward a confrontation that no one knows where it will end.

END

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